

corporations, agencies, and offices, for the fiscal year ending June 30, 1952, and for other purposes.

ADJOURNMENT

Mr. MANSFIELD. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly (at 9 o'clock and 31 minutes p. m.) the House adjourned until tomorrow, Tuesday, August 21, 1951, at 12 o'clock noon.

EXECUTIVE COMMUNICATIONS, ETC.

Under clause 2 of rule XXIV, executive communications were taken from the Speaker's table and referred as follows:

734. A letter from the Assistant Secretary of the Air Force, transmitting a report of claims paid under the Federal Tort Claims Act as amended and codified (28 U. S. C.), by the Department of the Air Force for the fiscal year 1951; to the Committee on the Judiciary.

735. A letter from the Department of the Secretary of Hawaii, Territory of Hawaii, transmitting a copy of the journal of the house of representatives, Legislature of the Territory of Hawaii, second special session, 1950, pursuant to section 69 of an act of Congress approved April 30, 1911; to the Committee on Interior and Insular Affairs.

736. A letter from the Archivist of the United States, transmitting a report on records proposed for disposal and lists or schedules covering records proposed for disposal by certain Government agencies; to the Committee on House Administration.

REPORTS OF COMMITTEES ON PUBLIC BILLS AND RESOLUTIONS

Under clause 2 of rule XIII reports of committees were delivered to the Clerk for printing and reference to the proper calendar, as follows:

Mr. STANLEY: Committee on House Administration. House Resolution 371. Resolution providing for the payment of 6 months' salary and \$350 funeral expenses to Mrs. Minnie M. Ross, widow of Frank P. Ross, late an employee of the House of Representatives; without amendment (Rept. No. 894). Ordered to be printed.

Mr. STANLEY: Committee on House Administration. House Resolution 373. Resolution providing certain death and burial benefits to the estate of Helen Gertrude Nelsch; without amendment (Rept. No. 895). Ordered to be printed.

Mr. STANLEY: Committee on House Administration. House Concurrent Resolution 39. Concurrent resolution authorizing the Select Committee To Investigate the Use of Chemicals in Food Products to have printed for its use additional copies of certain hearings; without amendment (Rept. No. 896). Ordered to be printed.

Mr. STANLEY: Committee on House Administration. House Concurrent Resolution 146. Concurrent resolution providing for the printing of 1,000 additional copies of hearings relative to revenue revision held before the Committee on Ways and Means during the current session; without amendment (Rept. No. 897). Ordered to be printed.

Mr. STANLEY: Committee on House Administration. S. 353. An act relating to the time for publication of the Official Register of the United States; without amendment (Rept. No. 898). Ordered to be printed.

Mr. LARCADE: Committee on Public Works. S. 24. An act to amend the act entitled "An act to provide better facilities for the enforcement of the customs and immigration laws," approved June 26, 1930, as amended; without amendment (Rept. No.

899). Referred to the Committee of the Whole House on the State of the Union.

Mr. BECKWORTH: Committee on Interstate and Foreign Commerce. S. 1183. A bill to amend the act entitled "An act to authorize the construction, protection, operation, and maintenance of public airports in the Territory of Alaska," as amended; with amendment (Rept. No. 900). Referred to the Committee of the Whole House on the State of the Union.

Mr. SPENCE: Committee of conference. S. 349. An act to assist the provision of housing and community facilities and services required in connection with the national defense. (Rept. No. 901.) Ordered to be printed.

PUBLIC BILLS AND RESOLUTIONS

Under clause 3 of rule XXII, public bills and resolutions were introduced and severally referred as follows:

By Mr. DOUGHTON:

H. R. 5248. A bill to suspend certain import duties on tungsten; to the Committee on Ways and Means.

By Mr. HERTER:

H. R. 5249. A bill to amend the Trading With the Enemy Act; to the Committee on Interstate and Foreign Commerce.

By Mr. LANE:

H. R. 5250. A bill to incorporate the Gold Star Wives of America; to the Committee on the Judiciary.

By Mr. OSTERTAG:

H. R. 5251. A bill to establish a National Commission on Intergovernmental Relations; to the Committee on Expenditures in the Executive Departments.

By Mr. HOWELL:

H. R. 5252. A bill to amend the National Labor Relations Act, as amended, and for other purposes; to the Committee on Education and Labor.

By Mr. KENNEDY:

H. R. 5253. A bill to establish a Commission on Improvement of Methods for the Selection of Candidates to the United States Military Academy and the United States Naval Academy; to the Committee on Armed Services.

By Mr. RAMSAY:

H. R. 5254. A bill to provide for a jury commission for each United States district court, to regulate its compensation, to prescribe its duties, and for other purposes; to the Committee on the Judiciary.

By Mr. KERSTEN of Wisconsin:

H. R. 5255. A bill to amend the National Labor Relations Act, as amended, with reference to the building and construction industry, and for other purposes; to the Committee on Education and Labor.

By Mr. SMITH of Virginia:

H. R. 5256. A bill to secure the attendance of witnesses from without the District of Columbia in criminal proceedings; to the Committee on the District of Columbia.

By Mr. BUCKLEY:

H. R. 5257. A bill to amend section 9 of the Federal Highway Act of 1950 (64 Stat. 785), to increase the amount available as an emergency relief fund for the repair or reconstruction of highways and bridges damaged by floods or other catastrophes; to the Committee on Public Works.

H. R. 5258. A bill to amend section 12 of the Federal-Aid Highway Act of 1950 and sections 6 and 14 of the Defense Highway Act of 1941, and for other purposes; to the Committee on Public Works.

By Mr. BOLLING:

H. R. 5259. A bill making appropriations for the rehabilitation of midwestern flood-stricken areas and for other purposes; to the Committee on Appropriations.

By Mr. CANNON:

H. J. Res. 319. Joint resolution amending an act making temporary appropriations for

the fiscal year 1952, and for other purposes; to the Committee on Appropriations.

By Mr. WIDNALL:

H. Res. 395. Resolution to provide funds for the expenses of the investigation and study authorized by House Resolution 349; to the Committee on House Administration.

MEMORIALS

Under clause 3 of rule XXII, memorials were presented and referred as follows:

By Mr. HESELTON: Memorial of the Legislature of the Commonwealth of Massachusetts memorializing Congress to take the necessary steps to prevent the closing of the district office of the Veterans' Administration in Boston and the removal thereof to Philadelphia; to the Committee on Veterans' Affairs.

PRIVATE BILLS AND RESOLUTIONS

Under clause 1 of rule XXII, private bills and resolutions were introduced and severally referred as follows:

By Mr. LANTAFF:

H. R. 5260. A bill for the relief of John K. Murphy; to the Committee on the Judiciary.

By Mr. O'TOOLE (by request):

H. R. 5261. A bill for the relief of Rosa Grunbaum; to the Committee on the Judiciary.

By Mr. STIGLER:

H. R. 5262. A bill for the relief of Mrs. Alice K. Carr; to the Committee on the Judiciary.

By Mr. RILEY:

H. Res. 396. Resolution for the relief of the Columbia Hospital of Richland County, S. C.; to the Committee on the Judiciary.

PETITIONS, ETC.

Under clause 1 of rule XXII, petitions and papers were laid on the Clerk's desk and referred as follows:

397. By Mr. SHEEHAN: Petition of the board of directors of the Polish Women's Alliance of America at its regular meeting at Chicago, Ill., which petition relates to the Genocide Treaty or Convention; to the Committee on Foreign Affairs.

398. By the SPEAKER: Petition of Western States Conference of Machinists, San Francisco, Calif., petitioning consideration of their resolution with reference to income tax exemptions; to the Committee on Ways and Means.

399. Also, petition of National Council of the Republic of Poland, London, England, petitioning consideration of their resolution with reference to the Communist threat to the freedom of Europe and the future of Christian western culture, and the activities of the Free Poles in exile; to the Committee on Foreign Affairs.

400. By Mr. SHORT: Petition of J. W. Garrett and 122 other citizens of Joplin, Mo., protesting against the inequality in the present tax legislation; to the Committee on Ways and Means.

SENATE

TUESDAY, AUGUST 21, 1951

(Legislative day of Wednesday, August 1, 1951)

The Senate met at 12 o'clock meridian, on the expiration of the recess.

Rev. F. Norman Van Brunt, associate pastor, Foundry Methodist Church,

Washington, D. C., offered the following prayer:

Almighty and Eternal God, our Father, we pause in this moment dedicated to the elevating of our thoughts and motives to Thy presence. Look upon them, we pray Thee, that, as we face this new day, we may be blest to use them to their fullest and best intent. We thank Thee that Thou hast set in our hearts a dream of life without futility, of faith without fear, of freedom without folly. Arise Thou within us as strength and healing and victory, overcoming all confusion of purpose, all haunting failure, and all that keeps us from the best to which Thou dost call us. In the dear Redeemer's name. Amen.

THE JOURNAL

On request of Mr. McFARLAND, and by unanimous consent, the reading of the Journal of the proceedings of Monday, August 20, 1951, was dispensed with.

MESSAGE FROM THE PRESIDENT

A message in writing from the President of the United States submitting nominations was communicated to the Senate by Mr. Miller, one of his secretaries.

MESSAGE FROM THE HOUSE

A message from the House of Representatives, by Mr. Maurer, one of its reading clerks, announced that the House had passed the bill (S. 15) to amend section 215 of title 18 of the United States Code, with amendments, in which it requested the concurrence of the Senate.

The message also announced that the House had passed the following bills and joint resolution, in which it requested the concurrence of the Senate:

H. R. 2176. An act for the relief of the Fort Pierce Port District;

H. R. 3209. An act amending section 25 of the Tennessee Valley Authority Act of 1933, as amended;

H. R. 3299. An act to extend the times for commencing and completing the construction of a free bridge across the Rio Grande at or near Del Rio, Tex.;

H. R. 3436. An act authorizing vessels of Canadian registry to transport grain between United States ports on the Great Lakes during 1951;

H. R. 3585. An act to authorize and direct the Administrator of General Services to transfer to the Department of the Navy certain property located at Decatur, Ill.;

H. R. 3590. An act relating to the income-tax treatment of gain realized on an involuntary conversion of property;

H. R. 3937. An act to amend the act of June 23, 1948 (62 Stat. 1061), to provide for the operation, management, maintenance, and demolition of federally acquired properties following the acquisition of such properties and before the establishment of the Independence National Historical Park, and for other purposes;

H. R. 4014. An act to amend section 3121 of the Internal Revenue Code;

H. R. 4109. An act to amend section 73 of the act of January 12, 1895, as amended, relating to the printing, binding, and distribution of the Statutes at Large, and sections 411, 412, and 413 of title 28, United States Code, relating to the printing, binding, and distribution of decisions of the Supreme Court of the United States, and for other purposes;

H. R. 4203. An act to ratify and confirm Act 7 of the Session Laws of Hawaii, 1951,

extending the time within which revenue bonds may be issued and delivered under chapter 118, Revised Laws of Hawaii, 1945;

H. R. 4443. An act to prevent the entry of certain mollusks into the United States;

H. R. 5013. An act to authorize the President to proclaim regulations for preventing collisions at sea;

H. R. 5215. An act making supplemental appropriations for the fiscal year ending June 30, 1952, and for other purposes; and

H. J. Res. 290. Joint resolution providing for the recognition and endorsement of the World Metallurgical Congress.

The message further announced that the House had agreed to the following concurrent resolutions, in which it requested the concurrence of the Senate:

H. Con. Res. 39. Concurrent resolution authorizing the Select Committee To Investigate the Use of Chemicals in Food Products to have printed for its use additional copies of certain hearings; and

H. Con. Res. 146. Concurrent resolution providing for the printing of 1,000 additional copies of hearings relative to revenue revision held before the Committee on Ways and Means during the current session.

ENROLLED BILLS SIGNED

The message also announced that the Speaker had affixed his signature to the following enrolled bills, and they were signed by the Vice President:

H. R. 3709. An act making appropriations for the Department of Labor, the Federal Security Agency, and related independent agencies, for the fiscal year ending June 30, 1952, and for other purposes;

H. R. 3790. An act making appropriations for the Department of the Interior for the fiscal year ending June 30, 1952, and for other purposes; and

H. R. 3973. An act making appropriations for the Department of Agriculture for the fiscal year ending June 30, 1952, and for other purposes.

COMMITTEE MEETINGS DURING SENATE SESSION

On request of Mr. McCLELLAN, and by unanimous consent, the Subcommittee on Rivers, Harbors, and Flood Control of the Public Works Committee was authorized to meet at any time during the remainder of this week during the sessions of the Senate.

On request of Mr. McCLELLAN, and by unanimous consent, the Finance Committee was authorized to meet at any time when the Senate is in session until the committee concludes its work on the tax bill.

FORTY-THIRD ANNIVERSARY OF GEORGE W. COMBS WITH THE BALTIMORE SUN-PAPERS

Mr. O'CONOR. Mr. President, in the midst of many serious problems that our Nation faces at the present time, it is indeed refreshing to be able to pause in the Senate to pay tribute to a man who has an outstanding record of service as a correspondent in Washington. As of this very day, Col. George W. Combs has been a member of the staff of the Baltimore Sunpapers for 43 years, and he enjoys the enviable record of having spent 34 continuous years at the Capitol.

This fine American is typical of all that the free press of our land can truly be proud. At a time when some nations are seeking to destroy not only their own press but likewise ours, as in the person

of William Oatis, it is a privilege to be able to pay tribute to Colonel Combs.

This outstanding gentleman, by his exceptional scholarly and accurate reporting of the news for many years past, has always commanded the respect and admiration of his many colleagues and friends. I consider it a pleasure to extend this word of praise to Colonel Combs on his forty-third anniversary.

TRANSACTION OF ROUTINE BUSINESS

Mr. McFARLAND. Mr. President, I ask unanimous consent that Senators be permitted to transact routine business, without debate.

The VICE PRESIDENT. Without objection, it is so ordered.

EXECUTIVE COMMUNICATIONS, ETC.

The VICE PRESIDENT laid before the Senate the following communication and letter, which were referred as indicated:

PROPOSED SUPPLEMENTAL APPROPRIATION, LEGISLATIVE BRANCH (S. Doc. No. 60)

A communication from the President of the United States, transmitting a proposed supplemental appropriation, in the amount of \$18,500, for the legislative branch, fiscal year 1952 (with an accompanying paper); to the Committee on Appropriations and ordered to be printed.

REPORT ON TORT CLAIMS PAID BY DEPARTMENT OF AIR FORCE

A letter from the Assistant Secretary of the Air Force, transmitting, pursuant to law, a report on tort claims paid by the Department of the Air Force, for the fiscal year 1951 (with an accompanying report); to the Committee on the Judiciary.

PETITIONS AND MEMORIALS

Petitions, etc., were laid before the Senate and referred as indicated:

By the VICE PRESIDENT:

A joint resolution of the Legislature of the State of Alabama; to the Committee on Finance:

"House Joint Resolution 32

"Be it resolved by the Legislature of Alabama (both houses thereof concurring), That the Congress of the United States is hereby respectfully requested, memorialized, and petitioned to enact legislation requiring persons, firms, and corporations engaged in interstate commerce to report their wholesale sales made in interstate commerce to the revenue departments of the States affected in order that such States will be able to prevent tax evasions by taxpayers within their jurisdictions.

"Be it resolved further, That a duly authenticated copy of this resolve be transmitted by the clerk of the house to each of the following authorities: The Speaker of the United States House of Representatives, the President of the United States Senate, and the members of Alabama's congressional delegation."

A resolution adopted by San Diego Naval Lodge, No. 726, International Association of Machinists, at San Francisco, Calif., relating to income-tax exemptions; to the Committee on Finance.

A resolution adopted by the executive board, Local 770, United Automobile, Aircraft, and Agricultural Implement Workers of America (CIO), Brooklyn, N. Y., relating to lay-offs due to cut-backs in material and because of defense orders superseding civilian production; to the Committee on Finance.

A resolution adopted by the board of officers of the National Association of Retired Police and Firemen, Inc., Miami, Fla., relating to tax exemptions on pensions; to the Committee on Finance.

A letter in the nature of a petition from the North Carolina State Federation of Labor, Salisbury, N. C., signed by C. A. Fink, president, and James W. Lazenby, secretary, praying for a redress of grievances; to the Committee on the Judiciary.

AUTOMOTIVE EXCISE TAXES—RESOLUTION OF WISCONSIN SCHOOL BUS OPERATORS ASSOCIATION

Mr. WILEY. Mr. President, on August 10 the Wisconsin School Bus Operators Association met in convention in the city of Green Bay. The association adopted a resolution opposing further increases in automotive excise taxes in view of the heavy burdens which already bear down on users of the Nation's highways.

I believe that my colleagues will be interested in this resolution because it expresses the views of a group which is certainly in touch with the grass roots of America—namely, school-bus operators—a group which is indispensable for the education of the Nation's young folk.

All of us recognize that additional taxes are necessary.

We recognize that virtually every group naturally prefers not to have itself taxed but would like to have others taxed. However, we do want to bear in mind that it is a fact that the automotive and related industries are now bearing a tremendous burden of Federal, State, and local levies, and we must be careful lest we set discriminatory rates which will pile too high a burden upon any particular segment of our population.

I ask unanimous consent that the resolution which was forwarded to me by Edward J. Konkol, executive secretary of the association, be printed in the Record and referred to the Senate Finance Committee.

There being no objection, the resolution was referred to the Committee on Finance and ordered to be printed in the Record, as follows:

Whereas under the terms of the 1951 tax bill that has been approved by the United States House of Representatives and now pending in the Senate, motor-vehicle owners would be required to pay more than \$500,000,000 annually in additional Federal automotive excise taxes, in addition to the nearly \$1,500,000,000 they are already paying; and

Whereas this half-billion dollars in added taxes represents nearly 50 percent of all new revenue being sought from proposed increased Federal excise taxes of all kinds; and

Whereas owners of motor vehicles in Wisconsin are already contributing almost \$35,000,000 a year to the Federal Government for general governmental purposes, in Federal automotive excise taxes at existing rates, and the proposed increases would boost this figure to more than \$45,000,000 annually; and

Whereas the automobiles, busses, and trucks of Wisconsin are a necessity and in no sense a luxury to be taxed as such; and

Whereas the field of automotive taxation rightfully belongs to the States, and, therefore, the Federal Government, by further encroachment in this field, would be depriving the States of one of their most lucrative sources of revenue so badly needed to insure construction and maintenance of adequate and safe highways: Now, therefore, be it

Resolved, That the Wisconsin School Bus Operators Association, speaking for its own

membership and in support of the State's motor-vehicle taxpayers, hereby goes on record as absolutely opposed to any increase whatsoever in present rates of Federal automotive excise taxes, on the ground that such taxes are basically wrong in principle and plainly discriminatory and inequitable; and be it further

Resolved, That copies of this resolution shall be sent to United States Senators ALEXANDER WILEY and JOSEPH MCCARTHY, of the State of Wisconsin, and to all members of the Finance Committee of the United States Senate.

REPORTS OF COMMITTEES

The following reports of committees were submitted:

By Mr. JOHNSTON of South Carolina, from the Committee on Post Office and Civil Service:

S. 1046. A bill to readjust postal rates; with an amendment (Rept. No. 694).

By Mr. SMATHERS, from the Committee on Post Office and Civil Service:

S. 1335. A bill to readjust size and weight limitations on fourth-class (parcel post) mail; with amendments (Rept. No. 695).

By Mr. MCCARRAN, from the Committee on Appropriations:

H. R. 4740. A bill making appropriations for the Departments of State, Justice, Commerce, and the judiciary, for the fiscal year ending June 30, 1952, and for other purposes; with amendments (Rept. No. 697).

By Mr. SPARKMAN, from the Committee on Foreign Relations:

H. R. 4550. A bill to provide for the control by the United States and cooperating foreign nations of exports to any nation or combination of nations threatening the security of the United States, including the Union of Soviet Socialist Republics and all countries under its domination, and for other purposes; with amendments (Rept. No. 698).

WILLIAM N. OATIS—REPORT OF A COMMITTEE

Mr. CONNALLY. Mr. President, from the Committee on Foreign Relations, I report favorably, without amendment, the concurrent resolution (H. Con. Res. 140) expressing indignation at the arrest and conviction of Associated Press Correspondent William N. Oatis by the Czechoslovak Government, and I submit a report (No. 696) thereon.

It will be recalled that Mr. Oatis was unjustly and tyrannically arrested and tried in a government court of Czechoslovakia. He is an Associated Press correspondent, and he was acting in pursuit of his duties in that connection, but was thrown into jail.

Mr. President, the concurrent resolution expresses the indignation and the outraged feelings which the committee believes the people of the United States entertain in regard to the terrible treatment received by Mr. Oatis.

The VICE PRESIDENT. The report will be received, and the concurrent resolution will be placed on the calendar.

BILLS INTRODUCED

Bills were introduced, read the first time, and, by unanimous consent, the second time, and referred as follows:

By Mr. MARTIN:

S. 2029. A bill to amend the Defense Production Act of 1950 with respect to industrial dispersion; to the Committee on Banking and Currency.

(See the remarks of Mr. MARTIN when he introduced the above bill, which appear under a separate heading.)

By Mr. RUSSELL:

S. 2030. A bill for the relief of certain Italian aliens; to the Committee on the Judiciary.

By Mr. JOHNSTON of South Carolina (by request):

S. 2031. A bill to further amend the Veterans' Preference Act of 1944, as amended, with respect to preference accorded in Federal employment to disabled veterans, and for other purposes; to the Committee on Post Office and Civil Service.

By Mr. HENDRICKSON:

S. 2032. A bill to amend the National Housing Act to provide for insurance on mortgages executed in connection with the sale of permanent emergency housing projects constructed by or on behalf of a State, or any agency, instrumentality, or body politic thereof, for occupancy by veterans of World War II and others; to the Committee on Banking and Currency.

(See the remarks of Mr. HENDRICKSON when he introduced the above bill, which appear under a separate heading.)

By Mr. HOLLAND:

S. 2033. A bill for the relief of Giuseppa S. Boyd; to the Committee on the Judiciary.

By Mr. DOUGLAS:

S. 2034. A bill for the relief of Charlotte Elizabeth Cason;

S. 2035. A bill for the relief of Cornelius A. Navori; and

S. 2036. A bill for the relief of Emery and Eleanor Nussbaum; to the Committee on the Judiciary.

By Mr. LANGER:

S. 2037. A bill for the relief of Andre Anas-tassotos; and

S. 2038. A bill for the relief of Alfredo Di Oliviera; to the Committee on the Judiciary.

AMENDMENT OF NATIONAL HOUSING ACT RELATING TO MORTGAGE INSURANCE

Mr. HENDRICKSON. Mr. President, I introduce for appropriate reference a bill to amend sections 213 and 610 of the National Housing Act with respect to the authorization of the Commissioner to insure any mortgage executed in connection with the sale by a State, or any agency thereof, of certain permanent housing projects, and I ask unanimous consent that a statement by me explaining the bill be printed in the Record.

The VICE PRESIDENT. The bill will be received and appropriately referred, and, without objection, the statement will be printed in the Record.

The bill (S. 2032) to amend the National Housing Act to provide for insurance on mortgages executed in connection with the sale of permanent emergency housing projects constructed by or on behalf of a State, or any agency, instrumentality, or body politic thereof, for occupancy by veterans of World War II and others, introduced by Mr. HENDRICKSON, was read twice by its title, and referred to the Committee on Banking and Currency.

The statement by Mr. HENDRICKSON is as follows:

STATEMENT BY SENATOR HENDRICKSON

These proposed amendments to the National Housing Act are designed to permit the insurance of mortgages by the Federal Housing Administration executed in connection with the sale of veterans' emergency housing projects which were constructed under a program of a State or a political subdivision thereof.

BACKGROUND

The State of New Jersey, in cooperation with the municipalities of that State, constructed, after the last war, several thousand permanent housing units which have

been operated by the State, or its agencies, for the primary benefit of veterans of World War II, or their families. This action on the part of the State was apparently prompted by an awareness of, and a desire to do something about, the acute shortage of housing which existed after World War II, hindering greatly the ability of returning veterans to obtain suitable housing accommodations. Certain other States responded in a similar way to the acute housing needs of veterans following the close of World War II.

Under New Jersey law these housing projects must be sold at the end of the emergency period, which is now 5 years, but which may be extended for a further period of 2 years. Such housing may be sold prior to the termination of the emergency period, but during the balance of the emergency period it would be subject to regulations with respect to rents chargeable and eligibility of tenants.

The State of New Jersey would like to begin to dispose of these projects, and it would like to sell them to cooperative ownership housing corporations or to limited-dividend housing corporations which would continue to be under the supervision of the State in connection with the selection of tenants, rents, and profits. If the sales were made to either a cooperative-ownership corporation consisting of present tenants or to a limited-dividend corporation which would be subject to some control in the selection of tenants by the State Housing Authority, the projects could continue to serve to a large extent their primary purpose, namely, the housing needs of veterans. However, such sales will be possible only if relatively low-cost financing can be obtained.

Bills have accordingly been passed by the New Jersey State Legislature amending the State housing law of 1949 and the limited-dividend housing-corporation law. These bills would permit limited-dividend housing corporations to purchase these projects and the State housing authority to loan moneys by way of mortgage to finance such purchases. The State housing authority will, under the proposed amendments, be in a position to make loans to limited-dividend corporations for the purchase of these projects under terms which would make such purchases possible. Money to be loaned by the State housing authority for such purpose must be raised by bond issues, and such bonds will not be readily salable at favorable rates of interest, unless the mortgage executed in connection with any such sale is insured by the Federal Housing Administration.

With FHA participation by way of insurance, as authorized by the proposed amendments to the National Housing Act, the State housing authority will be able to loan money to limited-dividend corporations or cooperatives upon terms which will make purchases by such groups feasible and a continuation of present low rentals in the projects sold possible.

PROPOSED AMENDMENTS TO NATIONAL HOUSING ACT

The first proposed amendment is to section 213 of the National Housing Act which provides generally for cooperative-housing insurance. As presently written, section 213 has been construed to have application only with respect to new construction and not to existing housing. The amendment adds a new subsection (h) to section 213 and authorizes FHA insurance of mortgages executed in connection with the sale by a State, or its agencies, of publicly owned veterans' emergency housing to a nonprofit cooperative-ownership corporation. The conditions and terms applicable with respect to such insurance are generally the same as in the case of insurance which may now be obtained under section 213. The sole purpose of the amendment is to permit such in-

surance in the case of existing construction, if such existing construction consists of veterans' emergency housing projects which are permanent in character and were constructed and are now held by a State, or an agency, instrumentality, or body politic thereof.

The second proposed amendment is to section 610 of the National Housing Act which authorizes FHA insurance in connection with the sale by the United States, or its agencies, of (1) Lanham Act properties (housing constructed during the World War II emergency by the Federal Government), (2) certain public housing projects owned or assisted by the Federal Government, and (3) the so-called Greenbelt towns. The amendment adds a new paragraph to section 610 to make the provisions of that section applicable with respect to the sale by a State, or its agencies, of State veterans' emergency housing projects. The amendment is not by its terms limited to the sale of such projects to a limited-dividend corporation, but the mortgage must be regulated or restricted for the purposes and in the manner provided in paragraphs Nos. (1) and (2) of subsection (b) of section 207 of the National Housing Act. Such subsections provide generally for continued supervision by either a State agency or the Federal Housing Administration of the mortgage with respect to rents, charges, capital structure, rate of return, and methods of operation. This limitation is not generally applicable with respect to mortgages insured under section 610, although it is applicable with respect to mortgages insured under section 213. As a practical matter, it is hoped by the interested State officials to sell the New Jersey projects to a limited-dividend corporations which would be subject to this type of regulation. Therefore, although the limitation might hinder the sale of such projects generally, it should prove to be no obstacle insofar as limited-dividend corporations are the prospective purchasers.

COST TO THE FEDERAL GOVERNMENT OF THE PROPOSED LEGISLATION

The question is raised as to whether the proposed amendments to the National Housing Act would involve a substantial cost to the Federal Government in the event they are enacted into law. In the normal course of legislative consideration of the proposed bill, reports would in all probability be made by the Federal Housing Administration and by the Bureau of the Budget. Such reports could be expected to make informed estimates with respect to the problem of cost and such information would be before the committee which would consider the bill and before the Congress. In the event the committee should report the bill out favorably. Very generally speaking, the proposed amendments would not appear to involve substantial new expenditures on the part of the Federal Government. The Federal Housing Administration is equipped to process applications for mortgage insurance and such mortgages should not be underwritten unless they are economically sound.

SUMMARY

These amendments would serve to assist the State of New Jersey in disposing of certain permanent emergency housing projects which were constructed by the State and its municipalities following the last war, primarily for the occupancy of veterans. Although the New Jersey situation is the one to which the amendments are mainly directed, it is certain that other States which have constructed similar housing would find the amendments advantageous in the event they are enacted into law.

The amendments will assist the State of New Jersey and many other States in the sale of such projects by permitting in certain cases Federal insurance of mortgages

executed in connection with such sales. The cases where such insurance may be obtained will occur when the sale is to (1) a nonprofit cooperative ownership housing corporation or trust, or (2) any other purchaser, provided the corporation, trust or other purchaser is subject to State or Federal supervision in the management of such housing projects with respect to rents, charges, capital structure, rate of return, and methods of operation.

The amendments should, therefore, materially assist the State in disposing of its projects if the sales are made to either cooperatives or limited-dividend corporations, and it would appear from the file that these are the types of purchasers to which it is hoped to make the sales. The State and its municipalities could thereby get out of the business of owning and operating this type of housing and recover some or all of their original investment, but, at the same time, retain some control over the uses to which such housing will be put, to the end that it will continue to serve, more or less, the purposes for which it was constructed.

TERMINATION OF WAR WITH GERMANY—AMENDMENT

Mr. CASE. Mr. President, I submit an amendment intended to be proposed by me to House Joint Resolution 289, to terminate the state of war between the United States and the Government of Germany. The amendment will propose that the President be requested to negotiate a treaty of peace with Germany. I think it an anomalous situation that the treaty of peace with Japan should be signed before a treaty of peace is signed with Germany, VE-day in Europe having come several months ahead of the close of the war in the Pacific.

The VICE PRESIDENT. The amendment will be received and printed, and will lie on the table.

NOTICE OF MOTION TO SUSPEND RULE—AMENDMENT

Mr. McCARRAN submitted the following notice in writing:

In accordance with rule XL of the Standing Rules of the Senate, I hereby give notice in writing that it is my intention to move to suspend paragraph 4 of rule XVI for the purpose of proposing to the bill (H. R. 4740) making appropriations for the Departments of State, Justice, Commerce, and the Judiciary, for the fiscal year ending June 30, 1952, and for other purposes, the following amendment; namely, on page 67, after line 6, insert:

"SEC. 606. The Director of the Federal Bureau of Investigation, United States Department of Justice, hereafter is authorized without regard to section 505 of the Classification Act of 1949 to place two positions in grade GS-18, and seven positions in grade GS-17 in the general schedule established by the Classification Act of 1949, and such positions shall be in lieu of any positions in the Federal Bureau of Investigation previously allocated under section 505. The compensation of the Associate Director of the Federal Bureau of Investigation hereafter shall be \$17,500 per annum.

"The Secretary of State hereafter is authorized without regard to section 505 of the Classification Act of 1949 to place one additional position in grade GS-17 in the general schedule established by the Classification Act of 1949.

"The Secretary of Commerce hereafter is authorized without regard to section 505 of the Classification Act of 1949 to place one additional position in grade GS-17 in the general schedule established by the Classification Act of 1949."

Mr. McCARRAN also submitted an amendment intended to be proposed by him to House bill 4740, making appropriations for the Departments of State, Justice, Commerce, and the Judiciary, for the fiscal year ending June 30, 1952, and for other purposes, which was ordered to lie on the table and to be printed.

(For text of amendment referred to, see the foregoing notice.)

HOUSE BILLS AND JOINT RESOLUTION REFERRED OR PLACED ON CALENDAR

The following bills and joint resolution were severally read twice by their titles and referred, or ordered to be placed on the calendar, as indicated:

H. R. 2176. An act for the relief of the Fort Pierce Port District; and

H. R. 4109. An act to amend section 73 of the act of January 12, 1895, as amended, relating to the printing, binding, and distribution of the Statutes at Large, and sections 411, 412, and 413 of title 28, United States Code, relating to the printing, binding, and distribution of decisions of the Supreme Court of the United States, and for other purposes; to the Committee on the Judiciary.

H. R. 3209. An act amending section 25 of the Tennessee Valley Authority Act of 1933, as amended; to the Committee on Public Works.

H. R. 3299. An act to extend the times for commencing and completing the construction of a free bridge across the Rio Grande at or near Del Rio, Tex.; and

H. J. Res. 290. Joint resolution for the recognition and endorsement of the World Metallurgical Congress; to the Committee on Foreign Relations.

H. R. 3436. An act authorizing vessels of Canadian registry to transport grain between United States ports on the Great Lakes during 1951; and

H. R. 5013. An act to authorize the President to proclaim regulations for preventing collisions at sea; to the Committee on Interstate and Foreign Commerce.

H. R. 3585. An act to authorize and direct the Administrator of General Services to transfer to the Department of the Navy certain property located at Decatur, Ill.; to the Committee on Expenditures in the Executive Departments.

H. R. 3590. An act relating to the income-tax treatment of gain realized on an involuntary conversion of property; and

H. R. 4014. An act to amend section 3121 of the Internal Revenue Code; to the Committee on Finance.

H. R. 3937. An act to amend the act of June 28, 1948 (62 Stat. 1061), to provide for the operation, management, maintenance, and demolition of federally acquired properties following the acquisition of such properties and before the establishment of the Independence National Historical Park, and for other purposes; and

H. R. 4203. An act to ratify and confirm Act 7 of the Session Laws of Hawaii, 1951, extending the time within which revenue bonds may be issued and delivered under chapter 118, Revised Laws of Hawaii, 1945; to the Committee on Interior and Insular Affairs.

H. R. 4443. An act to prevent the entry of certain mollusks into the United States; ordered to be placed on the calendar.

H. R. 5215. An act making supplemental appropriations for the fiscal year ending June 30, 1952, and for other purposes; to the Committee on Appropriations.

ADDRESSES, EDITORIALS, ARTICLES, ETC., PRINTED IN THE APPENDIX

On request, and by unanimous consent, addresses, editorials, articles, etc., were

ordered to be printed in the Appendix, as follows:

By Mr. LEHMAN:

Article entitled "Dangers in Congressional Immunity," written by Senator HUNT and published in a recent issue of the New York Times magazine.

By Mr. DOUGLAS:

Article entitled "A Decalogue for Members of Congress," written by Senator BENTON and published in the August 12, 1951, issue of the New York Times magazine.

By Mr. SMITH of North Carolina:

Address delivered by Hon. Harry McMullan, attorney general of North Carolina, as president of the National Association of Attorneys General, in Seattle, Wash., August 6, 1951, which appears in the Appendix.

By Mr. BENTON:

Article entitled "Press Subsidy Shows Profit, ECA Maintains," published in the Chicago Daily Tribune of August 9, 1951, and an article entitled "United States 'Scrapes Barrel' To Find Office Space for 30,000 in Year," published in the Washington Evening Star of July 21, 1951, relating to the operations of the Economic Cooperation Administration.

Article entitled "How Good Is the 'Voice' Program?—Admen Come In, Giving It New Life," published in Advertising Age for August 13, 1951.

By Mrs. SMITH of Maine:

Editorial entitled "Where Are We Going?" written by Miss Shirley Putnam, of Thomaston, Maine, and published in the Thanksgiving issue, 1950, of Sea Breeze Jr., a publication of the Thomaston High School.

By Mr. WATKINS:

Article entitled "McCarran Shies Away From McCarthy Label," written by Harold B. Hinton and published in the New York Times of August 19, 1951.

By Mr. SPARKMAN:

An advertisement entitled "Mr. K. A. Swanstrom, of Doylestown, Pa., Teams Up With RCA for National Defense," published by the Radio Corp. of America in the Washington Post of August 21, 1951.

EMERGENCY LEGISLATION FOR RELIEF IN THE FLOOD DISASTER AREA

Mr. CARLSON. Mr. President, I ask unanimous consent to proceed for 2 minutes.

The VICE PRESIDENT. Is there objection? The Chair hears none, and the Senator from Kansas may proceed.

Mr. CARLSON. Mr. President, late yesterday afternoon the President of the United States sent to the Congress a message urging immediate consideration of emergency legislation for relief in the flood disaster area.

I appreciate very much the action of the President of the Senate in referring the message to the Public Works and Appropriations Committees for joint consideration in order to secure early action on the President's request.

Mr. President, it is most urgent that Congress act speedily on a program of rehabilitation of the devastated flood areas.

It is my hope that we can take up Senate bill 1935, introduced by our colleague, the Senator from Missouri [Mr. HENNING], which will make direct grants to those who have lost homes, businesses, and in fact most of their worldly possessions, and secure early action on a program of rehabilitation for our citizens.

Mr. President, if the business of the Senate will not permit early adoption of

all the points which have been recommended, I ask that we move at once toward adopting the indemnification payments and the housing program, in view of the inclement weather which will soon be upon us, and obtain action on the remainder as soon as possible.

It is estimated that from thirty to forty thousand homes were damaged in the flood and that from ten to fifteen thousand were completely destroyed or suffered major damages. Thousands of people have no place to live.

Mr. Raymond Foley, Administrator of the Housing and Home Finance Agency, is coordinating the work for caring for these people temporarily. He is doing a splendid job, in cooperation with Federal and State agencies.

Under existing legislation Federal grants are not available for the rehabilitation of many of our citizens, both rural and urban, who must have assistance.

The destruction on the farms was especially heavy, in that approximately 5,000,000 acres of our best farm lands were inundated. Thousands of our farmers lost their homes, farm equipment, fencing, and soil, in addition to losing this year's crop.

It is, of course, imperative that we begin at once to rehabilitate and improve these farms. Specifically, it is urgent that action be taken on this proposed legislation in order that seed may be available for the planting of hundreds of acres of alfalfa which were destroyed by the flood.

If these funds are not available for that purpose within the next few days, it will be too late for alfalfa seeding this year.

Thousands of our small-business men had their business completely destroyed. They, too, should have consideration in this rehabilitation program.

The one-billion-dollar loss caused by the great flood is an economic loss that affects more than the States of Kansas and Missouri and other flood-area States. The rehabilitation and rebuilding of this area is vital to the economic future of our Nation.

Mr. President, I have today written identical letters to the distinguished Senator from Tennessee [Mr. McKellar], chairman of the Appropriations Committee, and the distinguished Senator from New Mexico [Mr. Chavez], chairman of the Public Works Committee, urging early consideration of the President's message, and I ask unanimous consent to have placed in the Record at this point a copy of my letters addressed to them.

There being no objection, a copy of the letters was ordered to be printed in the Record, as follows:

AUGUST 21, 1951.

HON. KENNETH MCKELLAR,
Chairman, Appropriations Committee,
United States Senate,
Washington, D. C.

DEAR SENATOR MCKELLAR: Late yesterday afternoon, the President submitted to the Congress a message urging immediate consideration of legislation providing for the rehabilitation of the devastated flood areas.

In this message the President makes several suggestions for legislation and appropriations that are vitally needed for this purpose.

As time is a matter of essence in the rehabilitation program in the flooded areas, I would urge that your committee take early action on the President's request.

As the president of the Senate referred the message to both the Appropriations Committee and the Public Works Committee, it is my hope they can meet jointly. I have written Hon. DENNIS CHAVEZ, chairman of the Public Works Committee, a similar letter.

As a member of the Public Works Committee, you may be assured of my fullest cooperation, and I will be glad to furnish any information the joint committees may desire.

Sincerely yours,

FRANK CARLSON.

(Letter identical with the above seal sent to Hon. DENNIS CHAVEZ, chairman, Public Works Committee, United States Senate.)

AMENDMENT OF THE MERCHANT MARINE ACT, 1936

The Senate resumed the consideration of the bill (S. 241) to amend the Merchant Marine Act, 1936, as amended, to further promote the development and maintenance of the American merchant marine, and for other purposes.

Mr. MARTIN. Mr. President, I ask unanimous consent to speak for about 10 minutes.

The VICE PRESIDENT. The pending question is the motion of the Senator from Delaware [Mr. WILLIAMS] to recommit Senate bill 241. It is not necessary to obtain unanimous consent to address the Senate on that motion. The Senator from Pennsylvania is recognized.

PROPOSED DISPERSAL OF INDUSTRY

Mr. WHERRY. Mr. President, will the Senator from Pennsylvania yield for a question?

Mr. MARTIN. I yield.

Mr. WHERRY. I understand the distinguished Senator is now speaking on the motion.

Mr. MARTIN. I am.

The VICE PRESIDENT. The Senator from Pennsylvania is speaking on it, but not to it.

Mr. WHERRY. I understand that. I want to thank the Vice President for that observation. If the Senator were speaking to it I thought we should secure a quorum, but if the Senator desires to address himself to another subject we can defer a quorum call.

Mr. MARTIN. Mr. President, I send to the desk a bill and ask for its proper reference.

The VICE PRESIDENT. The bill will be received and properly referred.

The bill (S. 2029) to amend the Defense Production Act of 1950 with respect to industrial dispersal, introduced by Mr. MARTIN, was read twice by its title, and referred to the Committee on Banking and Currency.

Mr. MARTIN. Mr. President, once more the advocates of a planned and controlled economy have moved forward in their ambition to destroy the American system of free enterprise and to place industry under the strangling clutch of bureaucratic regulation.

This time it takes the form of an Executive order issued by the President of the United States in direct and flagrant de-

fiance of the express will of the Congress as recorded in decisive votes in both Houses.

This time its real purpose is concealed under the cover of a new and plausible pretext which is bound to mislead a considerable segment of the American people.

That pretext is national defense—an appeal to patriotism which shames those who use it for false and deceptive purposes.

It is the disguise worn by every project which cannot make headway on its own merits.

When I say that President Truman has flagrantly defied the will and clear intent of Congress I refer to his directive of August 10 calling for the dispersal of industry.

The directive carries with it the threat that all Government aids, designed to promote the expansion of defense production, will be refused to industries that do not comply with this dictatorial edict.

For the information of my colleagues who may not be familiar with it, I should like to read the order issued by President Truman and addressed to the heads of executive departments and agencies. It is as follows:

There is hereby promulgated, effective immediately, the attached Industrial Dispersion Policy which I have approved on the recommendation of the Chairman of the National Security Resources Board, the Director of the Office of Defense Mobilization, and the Chairman of the Munitions Board.

This policy shall be adhered to by all departments and agencies with respect to programs under their control.

The Director of the Office of Defense Mobilization, in carrying out his task of directing, controlling, and coordinating all mobilization activities of the executive branch of the Government, shall establish general standards with respect to dispersal, which shall be followed in the granting of certificates of necessity, in the allocation of critical materials for construction purposes, and in the making of emergency loans growing out of defense production.

I shall look to the Chairman of the National Security Resources Board to keep me advised on the progress of this program.

HARRY S. TRUMAN.

And this program, my colleagues, is exactly the same program which was offered in this Chamber as an amendment to the Defense Production Act and was rejected on June 27 by the overwhelming vote of 56 to 25.

It is the same program which was again offered when the Defense Production Act was before the House on July 11, and then, too, it was defeated by a vote of 134 to 79.

By these decisive majorities both Houses of Congress refused to grant to the President the power to disperse industry by legal authority.

Nevertheless, in defiance of this clear and unmistakable record, the President by Executive order on August 10 arbitrarily assumed powers which Congress had refused to give him.

Under the President's order any industry desiring to build a new plant or to expand an existing facility which does not meet satisfactory dispersal standards can be denied a certificate of necessity,

allocation of critical materials for construction purposes, and emergency loans growing out of defense production.

That is not the only punishment that can be inflicted upon industries unwilling or unable to locate where the Administration says they must.

The President's directive of August 10 approves and makes effective immediately the plan as announced by the National Security Resources Board. That plan goes beyond the steps outlined in the President's statement.

I hold in my hand a brochure issued by the National Security Resources Board. It is entitled "Is Your Plant a Target?" It has been approved as the administration's official policy on industrial dispersal.

On page 12 will be found these words:

Defense contracts will be awarded, and planning under Department of Defense production allocation programs will be conducted in such a manner as to make maximum use of facilities located in dispersed sites.

With this power, added to the President's order, the bureaucrats can give preference in awarding defense contracts to industries which locate wherever they are directed.

Not only can this preference be applied to defense contracts, but also to the allocation of materials necessary for the manufacture of essential defense products.

No President in our history has ever had or has ever assumed power of such broad scope. It is absolute power to impose a death sentence upon any American industry—all in the name of national defense. But, Mr. President, the program as stated by the National Security Resources Board reveals that it is a part of the bureaucratic plan to socialize our American economy. Listen to this statement which appears on page 6 of this brochure:

Industrial dispersion is more than a defense measure. It is also an investment in the future welfare and progress of the Nation. It offers the added advantage of long-term economic and social benefits beyond its defense security contributions.

Thus, in its own words, the National Security Resources Board admits that this is not a temporary defense program necessary to meet an emergency. It is not merely a plan to minimize the danger of atomic attack. It is a long-term economic and social program which could disrupt the successful pattern of American industry and destroy the free enterprise system which is the foundation of our industrial greatness.

I invite attention to the foreword of the brochure, on page 3, where we find these words:

State and local governments, in cooperation with private enterprise, are called upon to take the initiative in this defense objective. The Federal Government will provide encouragement and technical guidance.

This is familiar language to all Senators. It is the sugar-coating to make the bitter pill more palatable. But the fact remains that the final authority rests with the bureaucrats in Washington, who establish the standards which

must be met and make the final decisions.

This power, in the hands of unscrupulous men—and it has been intimated recently that we have some here in Washington—could be used to play havoc with every industrial center in America. It could mean the uprooting of workers and their families, who could be forced to give up their homes, their schools, their churches, and their lifetime associations to take new jobs and establish new homes in isolated areas. It could mean that whole new communities would have to be built, new public housing, new schools, new utilities, and new recreational facilities, all adding more billions of dollars to the defense costs at the expense of the taxpayer.

Mr. President, giving the Government power to dictate the location of industry is not a new proposal. It has come up several times in the past 10 years, and each time it has been rejected by Congress.

It has been charged that it was a scheme on the part of nonindustrial States to steal factories and jobs away from the heavily industrialized Northern and Eastern States.

However, I point out that the record vote in the Senate on June 27 does not justify that charge. Many Senators from the South and the West joined with the northern and eastern Senators to defeat the dispersal amendment by a 2-to-1 vote. They did so because of a sincere conviction that the proposal was contrary to sound economic principle and the free system of private enterprise. Their vote registered their opposition to the concentration of power in the Federal bureaucracy to control the economic life of the United States.

Mr. President, in order to prevent this subterfuge by which the President has usurped powers which the Congress has refused to give him, and never intended for him to have, I have introduced a bill to amend the Defense Production Act of 1950. This bill would prohibit the exercise by the executive departments and agencies of the powers enumerated in the President's order of August 10 and in the dispersal program of the National Security Resources Board. I hope the House and the Senate, which only a few weeks ago refused the President this power, will now join in specifically ending this usurpation of authority.

In conclusion, I appeal to my colleagues who favored the dispersal amendment to join in support of this bill in order to serve notice on the President that Congress is still the legislative branch of the Government under the Constitution of the United States.

CIVILIAN DEFENSE APPROPRIATIONS

Mr. DIRKSEN. Mr. President, I ask unanimous consent to proceed for 10 minutes.

The VICE PRESIDENT. It is not necessary to obtain unanimous consent to speak. There is a motion pending on which any Senator may speak if he obtains recognition.

Mr. DIRKSEN. Then, Mr. President, I ask for recognition.

The VICE PRESIDENT. The Senator from Illinois is recognized.

XCVII—656

Mr. DIRKSEN. I notice that the Civilian Defense Administration originally asked for \$535,000,000 to meet the first shock of attack on our civilian economy. Five hundred and thirty-five million dollars is a great deal of money. As a matter of fact, if my memory serves me correctly, some years ago when I first came to Washington that was more money than we spent on the Army, the Navy, and Air Force put together. Here is a request for more than half a billion dollars for the Civilian Defense Administration.

Mr. MARTIN. Mr. President, will the Senator yield?

Mr. DIRKSEN. I yield.

Mr. MARTIN. Is it not true that at the turn of the century that was half of the entire cost of the Federal Government?

Mr. DIRKSEN. Indeed it was.

I suggest to my old friend former Governor Caldwell with whom I served on the House Appropriations Committee for years, that he take a trip to Chicago and talk with the postal workers and the Chicago postmaster. In Chicago something was done in this field without any Federal funds whatever. They have established a disciplined, well-rehearsed first-aid defense corps. They have put into operation a plan of first-aid defense which I think recommends itself to all thinking people. I believe that it is worthy of emulation in all sections of the country.

Let me say to my good friend from Pennsylvania, who has had so much experience, that what the people of Chicago did was to divide the city into eight districts. Each district was divided into zones. Every zone has a superintendent, and every district has a director. There are two over-all committees, an executive committee and an operational committee.

Sixty-eight contact points in the city have been established. All such points are equipped with stretchers, first-aid kits, and all the necessary accouterments for emergency calls. Along with that, of course, there is excellent instruction, in which assistance is rendered by the American Red Cross.

Better and more important than all the rest is this: I was there a week ago Sunday afternoon to address a picnic of the Chicago postal workers. First-aid qualification cards have been issued to more than 6,000 members of the Chicago postal service. They were all there to receive their arm bands and cards. This group is now ready. It is disciplined. It is functioning. It can dip into any part of the city at any time of disaster, and wheel into action.

In addition, approximately 1,100 postal trucks are operating out of the Chicago post office at the present time. Excellent garage space is available. The trucks can be used as emergency ambulances, whether disaster strikes in the daytime or the nighttime.

I suggest that if any kind of disaster of the type and dimensions which have been discussed on this floor at some time or other should befall the city of Chicago, there would be found a well disciplined, skilled, and well equipped force which could go into action immediately.

After all, the mailman knows everyone on his route. He knows his territory. He knows the streets, the alleys, the highways, and the byways. So he becomes a very important and effective cog in an organization of that kind.

As I have previously stated, the original budget estimate for civilian defense was \$535,000,000. That contemplates setting up an organization which, in its very essence, is bound to be wasteful. It involves buying a great many gadgets, as was done in World War II days, when people went around with white tin hats and we had black-outs in the Nation's Capital. In order that in the first instance civilian defense may have a coordinated and realistic program, why not encourage the kind of activity which I have described for every section of the country? Wherever there is a post office and wherever there is a postal group, such a program could be put into operation at once. Of course, the mailman could just put aside his mail sack and pick up his first-aid kit. In the face of a bomb disaster, people would not be interested in receiving mail. The mailman would not be particularly interested in delivering mail. He would be much more interested in doing something of an emergency character to help his fellow citizens in a time of distress.

I desire to make another suggestion. If this Government is so flush with money—and goodness knows it is not, as we are looking down the corridor to an almost insuperable deficit in the years ahead—but assuming that our Government is so flush with money that it can think in terms of a half billion dollars for civil defense, I make this suggestion: Why not take a little of the money and give it to some of the postal workers as a bonus, because they are performing the duty on a voluntary basis, because they have some interest in the subject, and because they bring such a fine spirit to bear upon this kind of operation?

Mr. MARTIN. Mr. President, will the Senator yield?

Mr. DIRKSEN. Gladly.

Mr. MARTIN. Is it not correct to say that if we are to have a successful civilian defense for the people of America, it must be very largely on a volunteer basis?

Mr. DIRKSEN. Definitely so.

Mr. MARTIN. I had the honor of serving as Governor of Pennsylvania during World War II. Tankers were sunk practically within the sight of Philadelphia. That is how close the war was to us. It cost us \$200,000 a year to operate civilian defense program in Pennsylvania. However, we had 1,500,000 volunteers. Their services did not cost us anything. A few executives, perhaps not more than 10 in the whole State, were on the payroll. We had certain equipment, much of which had been donated.

Does not the Senator from Illinois think that if the time comes when we must go underground, with prepared dugouts, and all that, we will be almost a defeated nation?

Mr. DIRKSEN. I suggest that we should start considering the subject first from the standpoint of an emergency approach. Here we have a plan that is

ready. It can be put into operation at a moment's notice. The voluntary effort on the part of the postal workers in Chicago certainly is over and beyond the call of duty with the mail sack. I believe we should take our hats off to them for devoting their time and energy to such an effort. They meet regularly in order that they may qualify themselves for emergency instruction work.

Mr. President, instead of giving to civilian defense the vast sum of money which is proposed, I would give a modest portion of it, as a kind of bonus, to these men, who have been so steadfast in their work for the Government for such a long time. So far as I know, they are the only workers in Government who have not at one time or another been held up to scorn on the ground that their loyalty was pale or limpid. So far as I know, no one has ever pointed a finger at the postal workers.

As eloquent testimony of our interest in these workers we could take some action on the postal pay bills which have been before Congress for some time. I recognize that delays will occur. The Senator from Kansas [Mr. SCHOEPP] and I served on the committee which was working on this subject. However, as evidence of the good will of the legislative branch of the Government, let us not delay the bills any longer, but let us make provision for a cost-of-living increase. With a little encouragement, postal employees all over the country can do what these volunteers in Chicago have done under the leadership of the very able postmaster, John Haberlein.

So I make that suggestion to the postal service, Congress, and the administration. Then we can better justify the action which was recently taken by a House committee in cutting back the budget estimate from \$535,000,000 to \$65,000,000. I consider that to be a satisfactory piece of work accomplished yesterday by one House of the legislative branch of the Government.

I yield the floor.

APPROPRIATIONS FOR VOICE OF AMERICA PROGRAM

Mr. McMAHON. Mr. President, in view of the fact that there is pending in Congress now and soon to be brought to the floor of the Senate a request for a great deal of money for the foreign-aid program and for the defense of the United States, I thought it would be helpful if I were to request of the Legislative Reference Service of the Library of Congress a memorandum on the cost of World War II. I have before me a memorandum, which I should like to have printed in the RECORD. I urge the reading of it by every Member of this body.

The last World War, according to the figures computed by the Reference Service, cost \$4,000,000,000,000 and 40,000,000 lives.

I make no estimate of what a future world conflict would cost. I merely invite attention to the fact that the cost of a conflict by the time all bills are eventually paid, is about four times the original cost, through pensions, hospitalization of veterans, widows' pensions, and

the other costs which are incidental to fighting a war.

When we start talking about economy and balancing the budget, we had better have in mind some of the facts contained in the memorandum, and consider what we are trying to prevent with the program which we are considering at this time.

One of the items contained in the program is an appropriation for the Voice of America. The Bureau of the Budget recommended \$115,000,000. The House cut it to \$85,000,000. The subcommittee of the Senate cut it to approximately \$56,000,000, if I am not mistaken. A vote will be taken at 3 o'clock this afternoon to determine whether the amount provided by the House shall be restored.

I am told that our military budget for the defense of the United States and for sustaining the policy of containment will run very close to \$70,000,000,000. The appropriation for the Voice of America is the only appropriation I know of in the budget which gives some promise of carrying the cold war to the Soviet Union.

Mr. WHERRY. Mr. President, will the Senator yield?

Mr. McMAHON. I yield.

Mr. WHERRY. I am wondering what the distinguished Senator from Connecticut meant when he made the statement that the amount of the appropriation would be \$70,000,000,000. Does he mean that that is the amount which is requested and probably will be provided for the 1952 military defense bill and Public Works bill, or does he mean that the \$70,000,000,000 will also include the appropriations to be asked for in a supplemental bill and the appropriations for the war in Korea? Are all those items included in his figures of \$70,000,000,000?

Mr. McMAHON. Mr. President, I will say to the Senator from Nebraska that I should be in a position to be more exact, but I am not. This morning, as one of the ex officio members, I attended the meeting of the Appropriations Committee's subcommittee dealing with appropriations for the State Department. In talking about the Voice of America program, I asked the Senator from Wyoming [Mr. O'MAHONEY], the chairman of the subcommittee, what the defense budget would amount to; and he gave me the figure I have stated as an approximation. I am only trying to state this matter in its perspective.

Mr. WHERRY. I understand, and I did not mean to criticize at all the figure the Senator submitted. I merely wish to point out that I am satisfied that the figure stated will be the minimum, because certainly when the appropriations for the supplemental items are made, it is my feeling that the figure will exceed \$70,000,000,000.

Mr. McMAHON. I thank the Senator for that statement, because it emphasizes the desirability of the Voice of America program.

Mr. President, I shall have a great deal more to say on this subject when the appropriation bill comes to the floor, and in the meantime I urge all Members of the Senate to read the memorandum to

which I have referred. I now offer the memorandum for printing in the RECORD.

There being no objection, the memorandum was ordered to be printed in the RECORD, as follows:

MEMORANDUM ON THE COST OF WORLD WAR II

The price the entire world has had to pay for World War II, the price in human suffering and material destruction, can never be completely measured. The last war inflicted seven times as much damage as World War I. People died because they were bombed, exterminated, starved, and frozen. More civilians died than men in uniform. Nations were bombed so that their capacity to fight would be destroyed, and the terrific destruction of property reduced economic life to the point where millions of people found it hard to make a living.

What was the cost of victory?

The military expenditures recorded in national budgets—let us assume that they are accurate—come to a total of over \$1,000,000,000,000, or \$1,117,000,000,000. Let us further assume that the cost of destruction came to at least twice that figure; this is a very modest assumption indeed, for in some countries it was much more than twice, though in others it was less. This would give us a figure of a little less than two and a quarter trillions, or \$2,234,000,000,000. Toss in an additional \$650,000,000,000 for the sort of losses which I have said above tend to elude even the most industrious figure makers. Then add up these monstrous sums, and you get a grand total of just about \$4,000,000,000,000. Or, if a trillion is difficult to comprehend, say four thousand thousand million dollars.

Forty million people and \$4,000,000,000,000. Look hard at those figures and you begin dimly to see what World War II cost. And even so, you have left out the moral cost of what man so systematically and purposefully did to man.¹

We can get some idea of the bill we have had to pay if we list the number of casualties and the price in terms of economic, political, and psychological problems.

CASUALTIES

General Marshall has given us the figures on the cost in battle dead.

The cost of victory for the United States in battle deaths and missing personnel was 295,904 lives, or 1 in every 500 of the 1940 population.

The cost to the British Commonwealth in military personnel killed and missing during the period September 3, 1939, to VJ-day was 452,570. This represented 0.08 percent of the population of the British Commonwealth. These casualties came from all parts of the empire, but the majority were suffered by the people of the home islands. The figures for those killed and missing were approximately 305,770 from the United Kingdom itself, or 1 in every 150 of the population; 39,300 from Canada, 29,400 from Australia, 12,200 from New Zealand, 8,700 from South Africa, 36,100 from India and 21,100 from the remainder of the empire.

The Union of Soviet Socialist Republics reported its losses as approximately 7,500,000 military personnel killed and missing, or 1 in every 22 of its 1940 population.

France had 200,000 military personnel killed and missing, or 1 in every 200 of its 1940 population.

Germany lost 2,850,000 military personnel killed and missing, or 1 in every 25 of its 1940 population.

Italy had 300,000 military personnel killed and missing, or 1 in every 150 of its 1940 population.

During the course of the war, China suffered the second largest number of casual-

¹ Grattan, C. Hartley, *What the War Cost*. Harper's, April 1949, pp. 76-79.

ties of any of the Allied nations. Its battle losses numbered 2,200,000 or 1 in every 200 of its 1940 population, excluding Manchuria. These figures covered the period during which time China was formally at war with Japan and did not include the 6 years of undeclared hostilities beginning in 1931.

As a result of its aggression, Japan had lost 1,506,000 military personnel killed and missing since 1937, or 1 in every 46 of the 1940 population of its home islands.

The total number of military personnel of the major Allied powers killed and missing during World War II was about 10,650,000. The total number of military personnel of the major axis powers killed and missing during the war was approximately 4,650,000. The total cost to the principal belligerents, both Allied and axis, in military personnel killed and missing in battle exceeded 15,000,000.

The very considerable costs to the smaller countries, particularly Poland and the nations in southeastern Europe, added hundreds of thousands more to the total.²

How can we compute the cost to civilization of these men who died in battle? Not only these men died, but all the children they might have had down through future generations. What is the price in suffering to those men who were expendable?

The captain takes you to a machine gun covering the road. "You're to stay here and hold this position," he tells you. "For how long?" you ask. "Never mind," he answers, "just hold it." Then you know you're expendable. In a war, anything can be expendable—money or gasoline or equipment or most usually men. They are expending you and that machine gun to get time. They don't expect to see either one again. They expect you to stay there and spray that road with steel until you're killed or captured, holding up the enemy for a few minutes or even a precious quarter of an hour.

"You know the situation—that those few minutes gained are worth the life of a man to your army. So you don't mind it until you come back here where people waste hours and days and sometimes weeks, when you've seen your friends give their lives to save minutes."³

In addition to the military personnel, an even greater toll was taken of civilian life. Civilians died in so many different ways that it is almost impossible to estimate the number. From air bombardment alone, however, it would appear that between 1,200,000 and 1,500,000 civilians lost their lives. The comparable figure for World War I is 5,000. "Not a single active belligerent of World War II escaped civilian losses due to air warfare, and even some neutral countries, notably Switzerland and Sweden, experienced such casualties among inhabitants of border towns as a result of aviators missing their targets."⁴

In addition to the civilians who died by bombing, there were many more who died because they were put in concentration camps, or because they were not strong enough to stand recruitment for slave labor, or because they were caught while participating in underground resistance movements. Probably three times as many civilians died as military personnel. There has never been a war as destructive as World War II.

THE ECONOMIC COST

Before we are through with it, World War II will cost the United States \$1,400,000,000,000—that is trillions of dollars—according to Paul Hoffman. When Mr. Gordon

Gray was Secretary of the Army he had estimated that the original cost of the Civil War was \$4,000,000,000, but thus far it had cost the country \$15,300,000,000. The original cost of World War I was \$27,000,000,000, but in the end it will cost approximately \$100,000,000,000. In other words, the total figure is about four times the original cost. Since the cost of World War II is \$351,000,000,000, initially, the ultimate cost will come to about \$1,400,000,000,000. If we try to figure it another way, we see that the cost of World War II was 13 times that of the First World War, and multiplying \$100,000,000,000 by 13, we get an estimated cost of \$1,300,000,000,000.⁵

The Bureau of Economic and Business Research of the University of Illinois estimated that all of the United States wars put together have cost more than the national wealth. "Wars have cost the United States \$414,000,000,000. All the farms, homes, factories, stores, and other property of the United States is valued at \$300,000,000,000," the report said. For what the country has spent on wars, every family in America could have a new \$8,000 home, a \$1,200 car, and \$2,000 in the bank.⁶

Each day of war costs millions of dollars, and every war costs more than the last. The Civil War cost \$2,343,000 per day; the Spanish-American War cost \$9,193,000 per day; World War I cost \$37,350,000 per day of hostilities; but World War II jumped to the fantastic sum of \$221,043,000 for every day from July 1, 1940, to September 14, 1945.⁷

The present annual costs of World Wars I and II are staggering. The war debt as of February 28, 1950, was \$235,535,819,417, while the computed interest charge on the war debt was \$5,193,564,818. In addition to the debt, we must figure on the costs of veterans' services and benefits. These consist of pensions, readjustment benefits, allowances, insurance, compensation, rehabilitation, relief, etc.—the total coming to \$5,774,860,060.82 (fiscal year 1949).⁸

Let us take a look at the Federal budget expenditures for war, past, present, and future, as compared with expenditures for other purposes (1949-50). War expenditures, including national defense, veterans' benefits, interest charges on the war debt, and foreign military assistance came to \$24,189,947,227 in 1949, with an estimated 1950 expenditure of \$25,602,392,954. All the other expenditures came to \$15,867,160,631 (1949) with an estimate of \$17,694,211,973 for 1950. Included in these smaller amounts were the expenditures of such items as international affairs, social welfare, health and security, agriculture, natural resources, transportation and communication, general Government expenses, interest charge on the non-war debt, and some miscellaneous items. Today the disparity would be even greater as between war and other expenditures.⁹

General Marshall pointed out that "It was United States industrial and military power which provided the additional strength necessary to stem the high tide of initial axis successes and finally to bring the war to a victorious conclusion. The direct military cost to the United States for the mobilization of more than 12,000,000 men and the supply of war material to its allies was approximately \$350,000,000,000 between 1939 and 1946. It required 3 to 5 years for the

United States to bring the various components of its power actually to bear against the axis. It was United States industry which was called to the colors to equip and support not only United States forces, but considerable portions of allied forces, and earned the title of 'the arsenal of democracy.' But all this required time, since the total mobilization of a nation's force is dependent on mobilization of its industry. An important economic result of World War II was the tremendous expenditure of resources, either through destruction or through absorption in the manufacture of implements of war. Some resources such as timber might be replenished in time, but other resources, such as minerals and oil, were gone for good."¹⁰

Even the economic cost cannot be measured merely in terms of dollars and cents. The war damage cost the homes of many families and the means whereby they made a livelihood.

In England by March 1944, 3,000,000 war-damaged houses were first-aid repaired and 102,700 badly damaged houses were restored to use. The following year more than a million houses were damaged or destroyed by flying bombs.¹¹

In France "The total number of buildings damaged and destroyed in World War II was some 1,804,000, or double the number in World War I. Nearly 25 percent of all buildings damaged in World War II were completely destroyed. The Ministry of Reconstruction and Town Planning, which announced the damage survey, concluded that 13,000,000,000 man-hours, or 7,000,000 man-years, of labor would be required for reconstruction. * * * One estimate of the Ministry of Reconstruction and Town Planning places the total war damage in World War II at 1,500,000,000,000 francs—about \$30,000,000,000."¹²

War damage in the Netherlands is estimated at \$12,862,500,000.¹³

The war damage in Western Europe reached every phase of life. Woods and parts of forests were burned. Soil fertility had been reduced for lack of fertilizer. In Belgium, France, and the Netherlands, "agriculture has suffered from loss of skilled labor, due to German demands on manpower between 20 and 40 years of age. Though this problem existed in all three countries, it is Holland which suffered most, owing partly to her more stubborn attitude to Nazi rule, and mainly to the fact that during the autumn and winter of 1944-45 she was systematically robbed by the German authorities in a way that France and Belgium partly escaped. Nevertheless the labor of women, older men, and children, and those gone underground seems to have largely sufficed in France and Belgium, though less so in Holland. The greatest single loss in all countries, however, is the substantial reduction in animal population during the war years. This is only in part due to the demands of German economy. It is certain that the illicit slaughtering by farmers for the black market at high prices is and was a notable factor in reducing the animal population in France and Belgium."

"(Regarding German agriculture and husbandry) to begin with, the Rhineland was menaced and the Nazi policy of scorched earth, though carried out only in the Rhineland, meant that vast areas were left untilled or unsown, with mines and explosives

² New York Times, February 19, 1950, p. 2E.

³ New York Times, May 3, 1946, p. 3.

⁴ Annual reports of the Secretary of the Treasury for fiscal years 1941, 1942, and 1943; daily statements of the U. S. Treasury, July 16, and September 14, 1945.

⁵ Daily Treasury statement, March 1, 1950; Annual Report of Secretary of the Treasury for 1948; Annual Report of the Administrator of Veterans Affairs, 1949.

⁶ Budget of the U. S. Government, 1951.

¹⁰ Encyclopedia Britannica, 10 Eventful Years, pp. 770-771.

¹¹ Municipal Yearbook (London), 1945, p. 358; 1946, pp. 354, 357.

¹² Monthly Labor Review, November 1945, pp. 925-927.

¹³ Knickerbocker Weekly, November 26, 1945, pp. 12-13.

² Encyclopedia Britannica, 10 Eventful Years, pp. 768-769.

³ White, W. L., They Were Expendable. New York, Harcourt Brace, 1942, pp. 3-4.

⁴ Civilian Deaths From Air Bombardment, Statistical Bulletin, Metropolitan Life Insurance Co., July 1946, vol. 27, No. 7, pp. 1-4.

planted on a more extensive scale than anywhere else except in the west wall. The Rhineland population obeyed the order to move east, and the Allied armies, for the first time, occupied fertile land which was going derelict and waste. The number of animals killed by ground mines was greater than anywhere else in the advance, with the possible exception of the area of Zeeland which was devastated in the battle of the Scheldt pocket. The final blow came in May, when the German surrender and economic collapse immediately liberated some millions of slave laborers. The farms lost their labor precisely when it was most needed to safeguard the harvest against winter famine. The German Army was demobilized in the British and American zones, with priority for agricultural labor and miners, but it was September before operation 'Barleycorn' was completed. Those summer months without labor, often without cattle or horses which had been driven away or killed, were a human tragedy. It was a common sight in the Rhineland in April 1945 to see a woman trying to harness herself to the plow or harrow, to try to scrape some kind of return from the lonely earth."¹⁴

The transportation system in Western Europe was disrupted and destroyed.

"The lack of rolling stock and locomotives, shortage of coal, cratering of railways, and above all the blowing of railway bridges played havoc with the railway system of northern France. * * * The German Army, in its retreat, blew all river and canal bridges across the Rhine, Ruhr, Ems, and Weser, and those across the Elbe as far north as Hamburg. With the destruction of the bridges a complete paralysis seized German railways. * * * Germany depended essentially on rail and river transport to maintain her highly organized and complex economy, and the greatest calamity that has befallen Germany came from the suicidal policy of the Nazi hierarchy in blowing all their river bridges, cutting the vital arteries in German economic life. The bombing of cities and destruction of skilled manpower has not created so much misery and dislocation as the collapse of the vital rail and water routes."¹⁵

"European ports, sea navigation, and fisheries were all affected.

"The French ports have been notable casualties in the war. Toulon is blocked by the scuttled French fleet much too effectively for German salvage or French reconstruction. The Atlantic ports formerly held by German pockets are almost useless. Port facilities at Bordeaux, for instance, were demolished completely. The town of Brest is completely destroyed, but its port is largely intact. Lorient and St. Nazaire were stripped and demolished. The channel ports were bombed ruthlessly, especially Calais, Boulogne, Dieppe, and Havre, while Cherbourg was demolished by the Germans before surrendering."¹⁶

"The North Sea minefields, naval patrols, and air attacks made deep-sea fishing almost impossible over a great part of the North Sea area. The fishing ports of the western half of this sea declined, and little but in-shore fishing was possible. In Ostend and Dunkirk the fishers suffered so many losses from drifting mines that, despite great pressure from the Germans, they ultimately refused to venture out * * *."¹⁷

The cost of the war in Western Europe was seen in its reduction in manpower, in the damage to its property, in the stoppage and

shortage of production, and in widespread inflation and the rise of black markets.

"It is of course true that the whole economic situation of France cannot be summed up in terms of a meat queue or a breakfast of dry bread eaten by the light of a candle; * * * (and the salient fact (was) that at the time when the German tide ebbed, France's economy was stricken with a general paralysis, and that is what needed to be cured first."¹⁸

In other words, the taxpayers of all nations were taxed to fight the war, once it had started, and taxed to clean up the rubble once it had stopped. When a nation stopped to count up its war losses, the list was made in such terms as those for Greece: Members of the armed forces who were killed, those who died from starvation, deportation, massacre, disease or wounds, the localities destroyed, the people left homeless, the number of ships destroyed, the transport vehicles lost, the damage to railways, bridges, the hydraulic installations destroyed, and the destruction of station buildings, tunnels, locomotives, passenger coaches, trucks, freight cars, livestock, forests, agricultural, and industrial production."¹⁹

Poland counted up its losses. A number of Polish citizens had been killed, murdered by firing squads, or had died because of overwork from forced labor, exhaustion, wounds, exposure during forced hide-outs, or from living in concentration camps. Poland counted the number of citizens permanently crippled, seriously injured, persecuted. Then came the number of buildings destroyed, the damaged schools, the monuments and works of art which had been ravaged, the books destroyed, the radio sets which had been confiscated. In agriculture, farms had been destroyed, and livestock lost, timber had been carried away. Heavily damaged were locomotives, passenger cars, freight cars, and factories and industrial plants."²⁰

"In Czechoslovakia the Minister of Industry stated that * * * the direct damage done to Czechoslovakia industry by the removal of machines and products, failure to fulfill important orders for deliveries from Germany, destruction, damage or reckless overworking of industrial plant or property, amounts to about 38,000,000,000 Czechoslovak crowns. Deliveries of goods directed by Germany to her own markets and paid for in worthless German paper money amount to about 20,000,000,000 Czechoslovak crowns per annum during the 6 years of war. This covers the damage to property and industrial resources and exhaustion of supplies of raw materials and goods."²¹

The Union of Soviet Socialist Republics put her war cost at \$485,000,000,000. The war bill was figured in terms of destroyed towns, houses, public buildings, destroyed industrial plant and equipment, transport, and communications, and destroyed farms, farm equipment, and livestock.

"The German invaders demolished, completely or partially, 1,710 cities and towns and more than 70,000 villages and hamlets; they destroyed more than 6,000,000 buildings and robbed 25,000,000 people of shelter."²²

"China had a bill against Japan which was too big for Japan to pay.

"It is a fair guess that the costs of war to China will never be fully probed. Whatever China can collect from Japan in tangible form—ships, goods, industrial equip-

ment—can never repay the loss of lives, the loss of crops, the famine and the anguish.

"Some Chinese estimates have put military losses at between four and six million dead. * * * But the military losses must be dwarfed by the injury to the civilian population. Estimates range from five to fifteen million, but who can ever know the number of men and women killed in an air raid, or lost to hunger and sickness in the epic flight to safety?

"Property losses have been astronomical. In Shanghai alone, \$2,000,000,000 worth of homes and factories were destroyed. In their campaign of terror, the Japanese did not hesitate to level hundreds of towns and villages. * * * Nor will it ever be possible to compute the dollar-and-cent loss suffered by China in the forced flight of 40,000,000 people. Or of the damage done to the soil by the great floods which followed the breaching of the Yellow River dikes. * * *"²³

In the Province of Honan, the human suffering and material damage was listed.

"Countless houses and buildings have been destroyed by the war in Honan * * * Fire has swept many larger cities. Men were killed and women and girls were raped. Eighty percent of the cattle was slaughtered. During the last 8 years the people of Honan have hardly escaped a single day the swords and bayonets of the Japanese."²⁴

Meanwhile, Japan estimated its war damages at \$31,000,000, with 2,252,000 buildings razed and 1,850,000 dead."²⁵

Even nations which were not bombed had to estimate indirect damages resulting from neglect during a period when their energies were taken up by the war. Australia estimated such damage at \$500,000,000. A great postwar building and repair job had to be undertaken when the war was over."²⁶

In every country the cost of war must include such other factors as inflation, the necessity for controls and rationing, an increasing debt, and taxation. When the war is over, there are additional costs of occupation and of rehabilitation until the economies of war-torn countries can be stabilized.

THE POLITICAL COST

Great Britain, France, and Germany left the ranks of the Great Powers, and two nations filled the power vacuum: the United States and the U. S. S. R. Western Europe was weakened by the war and menaced by the military power of the U. S. S. R. The aggressiveness of communism, and the insistence of the Soviet leaders upon world conquest, created a political problem for the democracies of the Western World. The clash of ideologies emerged as a commanding political problem.

Meanwhile, in the Far East, Japan was no longer a power and China eventually became a Communist state, thus creating another political problem.

Nationalism became stronger among all colonial peoples, and their position in the world became of acute concern.

The Middle East with its vast oil reserves was another political and economic problem.

And one of the greatest problems in terms of human suffering was that of the refugees and displaced persons. General Marshall described this situation which confronted the Allies after the war.

"As a result of the Nazi method of obtaining slave labor during World War II and the battles which were fought over so much of the European continent, on VE-day approximately 10,000,000 civilians were displaced

¹⁴ France Today: Some Practical Problems. The World Today, February 1946, pp. 85-86.
¹⁵ CONGRESSIONAL RECORD, vol. 92, pt. 2, p. 2698.

¹⁶ Poland of Today, May 1946, p. 6.

¹⁷ Central European Observer, October 11, 1946, p. 331.

¹⁸ U. S. S. R. Information Bulletin, War Damage in the U. S. S. R., May 14, 1947, p. 5.

²³ Gayn, Mark, China's Bill Against Japan—Too Big To Be Paid, PM, September 9, 1945, p. 9.

²⁴ New York Times, September 23, 1945, p. 7.

²⁵ New York Times, April 20, 1949, p. 5C.

²⁶ Christian Science Monitor, February 27, 1946, p. 2.

¹⁴ War Damage in Western Europe. The World Today, April 1946, p. 146.

¹⁵ Ibid., pp. 148-149.

¹⁶ War Damage in Western Europe. The World Today, April 1946, p. 157.

¹⁷ Ibid., p. 160.

beyond the national boundaries of their own country by reason of war. Approximately 6,000,000 of these displaced persons had been returned to their homes at the end of 1946 by the occupying powers, plus the numbers handed within the Soviet zone, on which no figures were available. As of the end of 1946, approximately 1,200,000 persons were still being cared for by the three western allies in Germany.

"In the Far East approximately 5,000,000 Japanese, about half civilians, had been returned to Japan from Asia and the Pacific islands. Approximately 1,000,000 Koreans had been returned to Korea. At the end of 1946 about 1,500,000 Japanese remained on the continent and about 500,000 Koreans were still in Japan."²⁷

The Displaced Persons Commission in its semiannual report to the President and the Congress on February 1, 1949, described the problem as well as the work of the International Refugee Organization.

"World War II left in its swirling wake the most tremendous population dislocation in all recorded history. Some of the movement was in a sense voluntary; the greatest portion was forced. Large groups of people were forced to move as an element of the Nazi program of slave labor, other groups were swept before invading armies, others fled to escape hostile occupying forces, still others are fugitives from political oppression and religious persecution. Most of these people found themselves at the end of the war in Germany, Austria, or Italy.

"The first of the major movements before 1943 was due to Hitler's racial laws, slave-labor policies, and German military advances.

"The second, after 1943, was occasioned by Allied victories. The third, after the end of the war, resulted from banishment or flight because of political and religious oppression.

"These migrations—voluntary and involuntary—caused by the war and both its prelude and its aftermaths, began with the expulsions of Jews in Germany from their homes into ghettos and the growth of the infamous concentration camps. The next big movements came when the German conquest of Poland in September of 1939 immediately pushed several hundred thousand out of that country. Large groups went south to Hungary and Rumania, others north to Lithuania, but the great bulk went to eastern Poland, then occupied by Russia. This immediate movement of individuals was followed by a deliberate, calculated, forced deportation of Poles by the German Government, starting as early as October 1939. About a million and a half persons were moved. Many people were inhumanly exterminated, others were worked to death or died as the result of privations and other hardships. What happened in Poland is the pattern of events in areas overrun by the Germans.

"The advance of the Allied armies—from the west and from the east—swept masses of people back and forth. No continental European country north of the Pyrenees was unaffected by these movements. Exclusive of the movements of armies, it is estimated that between 20,000,000 and 30,000,000 Europeans were moved from their homes from September 1, 1939, to the beginning of 1943; they were transported, dispersed, or deported. There is an estimate that at the peak in 1944, there were 8,000,000 foreign workers—prisoners of war and civilians—in Germany.

"In the closing months of the war, as the Germans retreated, large numbers returned to their homes. Of the 12,000,000 or so persons evacuated because of German occupation from European Russian areas, to Asiatic Russia, only a few—who filtered back to Western Europe—ever became United Nations displaced persons. When VE-day ar-

rived, the Allied armies found about 8,000,000 displaced persons—persons liberated from extermination camps, from concentration camps, prisoners of war, forced laborers brought into Germany, and refugees who fled in front of the Russian armies."²⁸

Conditions in occupied territories were studied by the Inter-Allied Information Committee in London which reported that—

"The total of foreign slaves working in Germany cannot be accurately gaged, but must reach 7,000,000. The human misery and suffering contained in that colossal figure is hard to appreciate. Families purposely separated, homes destroyed, relatives taken away by a power that wishes them nothing but ill, often just disappearing without notice, failing to return perhaps from some everyday errand; long journeys under inhuman conditions, that end with exhausting labor, hunger, and even torture."²⁹

The plight of the French prisoners of war was distressing.

"Vichy newspapers published at the beginning of January 1942 the number of Frenchmen still held as prisoners of war. These were 44,358 officers of all ranks and 1,382,064 noncommissioned officers and men, making, in all, 1,426,423. It can easily be realized what pressure Hitler can bring to bear on France by the ruthless exploitation of the condition of these men. Nearly every home in France is affected by the fate of the prisoners, and the fact that the men have not returned home at all is all the more bitter since it was generally supposed that they would do so soon after the armistice was signed. The Germans are fully alive to the advantages to be gained from holding nearly a million and a half hostages, and they use them to blackmail Vichy and also the public through the offices of the collaborationists."³⁰

At the end of World War II there were 7,000,000 prisoners of war. Many of these prisoners were being used to repair the damage of the war—to clean up rubble, to rebuild roads and buildings. Years were to pass before these people were repatriated, and some have not yet been allowed to go home. In 1946 an American correspondent saw a group of German prisoners who had been allowed to leave the Soviet Union.

"Of 120,000 whose return the Russians have announced, 83,000 have come. There remain some 3,000,000—the Russians have never divulged the exact number—who continue the reconstruction of Russia. The men, standing closely pressed in the courtyard, were gaunt, stoop-shouldered and dull-eyed, slow and tired in their movements as though they had traveled far and hard to no purpose. Some nursed old wounds and illnesses or had sores on their hands and faces, legs swollen with oedema, vacant gums where teeth loosened by prolonged malnutrition had fallen out."³¹

Only a few of our Bataan defenders in the Philippines survived the long years as prisoners of war. Many died or were killed on the death march.

"The march from southern Bataan to San Fernando was continuous, day and night, for those poor men. They got no food except rice, and not enough of that to sustain life. There were no purification tablets for the diseased waters of the Bataan River.

"Captain Reeder, an American medical officer at O'Donnell, told me later that between

²⁷ The Displaced Persons Commission. First Semiannual Report to the President and the Congress, February 1, 1949, pp. 1-2.

²⁸ Slave Labor and Deportation. Conditions in Occupied Territories. United Nations Information Organization, London, 1944, p. 5.

²⁹ Europe in Bondage. Reports of the London International Assembly. Edited by John Armitage. Drummond, London, 1943, p. 41.

³⁰ New York Times, September 3, 1946, p. 2.

the time the men arrived at the camp about the third week in April and the end of July 20,000 of the 45,000 Filipino and 1,400 American troops sent there died of starvation, disease, and torture."³²

THE PSYCHOLOGICAL COST

The psychological cost to human beings who suffered during World War II can never be counted up. The disruption to individual lives is an intangible factor which cannot be weighed. People who can make adjustments in times of peace are often unable to do so during a war. A price is paid in mental health.

"The relation of psychiatry to war involves a consideration of rehabilitation and of the care and pensioning of psychiatric disabilities. Our experiences from World War I can be quoted as a guide to what may be expected after this war. In 1940, of the 90 hospitals under the Veterans' Administration, 27 were occupied by neuropsychiatric patients. They formed half of the total hospitalized for all causes, numbering over 33,000. Up to that date, each neuropsychiatric veteran had cost the country \$30,000, and the total cost of the care and compensation of neuropsychiatric veterans had exceeded a billion dollars."³³

The psychological costs of World War II are still continuing in the form of a "war of nerves," in the form of a war carried on by propaganda against the western democracies. Not only have attacks been made on freedom of the press, but freedom of information is shrouded behind the iron curtain. The peace settlements have been delayed because of the psychological climate which has pervaded the atmosphere ever since we thought World War II was ended. It has become a struggle to "insure tranquillity."

CONCLUSION

Before World War II began, we were in possession of certain facts. We struggled for peace, but we failed because collective action against aggressors was not taken. The aggressors thought we did not have the will or the ability to enforce peace, and they invaded countries, one by one—Manchuria, Ethiopia, Czechoslovakia—there is a long list of separate aggressive actions taken by powerful states against their weaker neighbors. Our judgment as to what decision to make must be measured in terms of the consequences. The price the world has had to pay in human suffering is almost beyond belief.

Now, as before, we have enough facts to be able to foretell the probable consequences of our action or our inaction. We dare not make a mistake.

Early in 1948 an analysis of the situation in Korea was written—the following sentence was published on May 1948:

"Some difference of opinion appears to have existed even in Washington as to whether we should clear out of Korea immediately (leaving the Koreans to the tender mercy of the Russians and the organized and armed troops they have been training in North Korea) or whether we should make a firm commitment to stay in Korea until it is possible to establish a unified democratic Korean nation state."³⁴

Assistant Defense Secretary W. J. McNeill testified before the Senate Finance Committee that the Korean war has cost from 2 to 10 billion dollars, depending upon the

³² Wainwright, Gen. Jonathan M., Japs Start Bataan's Defenders on 'Sadistic' March of Death. Washington Star, October 21, 1945, p. A1, 5.

³³ Medicine and the War. W. H. Tallaferrro, editor. Chicago, University of Chicago Press, 1944. See chapter by David Sligh on "Psychiatry and the War."

³⁴ House Report 1845, 80th Cong., 2d sess., Final Report on Foreign Aid, p. 242.

²⁷ Encyclopedia Britannica, 10 Eventful Years, p. 769.

method of accounting. If it continues, this war will require another 2 or 3 billion dollars within the next year.²⁵

"The Korean war has become the fourth most bloody and expensive conflict in American history.

"In slightly more than a year the United States has expended more men and dollars than in the Revolutionary War, the War of 1812, and the Mexican and Spanish-American Wars combined.

"The Nation suffered heavier losses only in World War II, the Civil War, and World War I in that order.

"American battle casualties in Korea now total more than 78,110—13,000 dead, 52,975 wounded, 10,649 missing, 159 prisoners."²⁶

There has never been a war as destructive as World War II, both in its initial cost and in the aftermath of the problems which have affected the daily lives of all peoples.

AMENDMENT OF PRICE CONTROL LEGISLATION

Mr. MAYBANK. Mr. President, a news item has come over the ticker to the effect that a request may be made for the enactment of a new controls law. As chairman of the Committee on Banking and Currency, I feel it my duty to say that the committee will consider whatever bill may be sent to it. Equally, I want to make it clear to the American people that it is the duty of the persons appointed by the President of the United States to enforce the present law.

It is easy to say that prices are going up. Yet, the law has not been given a chance to work. The ink is hardly dry on the act. Nevertheless, metropolitan newspapers quote anonymous persons high in the departments to the effect that there are weaknesses in the present law. I hope and pray that the law which Congress passed after months of hard work will be given a fair chance to operate. If it is proved to be a failure, I am certain every Member of the Banking and Currency Committee will join me as its chairman in recommending any necessary changes.

However, I think it is an injustice to the American people for the administrators on Pennsylvania Avenue or on Connecticut Avenue to tell them that prices will rise 10 percent or 20 percent. There is no justification whatever for such statements.

Mr. President, the present law is a good one. Today prices in many industries and many businesses are lower than they were at the time of the passage of the law.

I make these remarks because my attention has been called to a statement carried on the news ticker, and representatives of various news services have asked me what we will do. If there are any shortcomings in the present law, the committee will work to correct them. However, in the meantime the law at least should have a fair trial at the hands of those who have been appointed to administer it.

Mr. CAPEHART. Mr. President, I should like to speak in regard to the message of the President, and I wish to join the able Senator from South Carolina in the remarks he has just made in regard to price control and the ac-

tion taken by the President and by those who are administering the price-control law.

I hold in my hand an excerpt from the ticker which I ask unanimous consent to have printed at this point in the RECORD, as a part of my remarks.

There being no objection, the excerpt was ordered to be printed in the RECORD, as follows:

Informed sources said the President probably will ask Congress to restore beef slaughtering quotas and amend a provision which the President feels will force price ceilings up on thousands of commodities.

Mr. Truman put the plans before his 17-man National Advisory Board on Mobilization Policy which is expected to make its recommendations late today. Then he will call in his congressional leaders with a view to asking action before congressional adjournment.

Short said Mr. Truman told the Board that the present law does not give him the proper tools for holding down prices.

Informed sources expected Mr. Truman to make a determined fight to knock out an amendment which eliminated beef-slaughtering quotas. Price stabilizers had considered the slaughtering quotas their main weapon in enforcing beef-price ceilings and stopping diversion of beef to black markets.

Another target of Presidential criticism has been the so-called Capehart amendment which permits manufacturers to add to their ceiling prices all direct and indirect cost increases through July 26.

Mr. Truman has described this provision as being like a bulldozer, crashing aimlessly through existing pricing formulas, leaving havoc in its wake.

Still another provision objectionable to the President is the so-called Herlong amendment which guarantees wholesalers and retailers their customary mark-up margins—the difference between their cost and selling prices.

The President also feels that some provisions of the law are so vague that it is difficult to administer them. He is expected to request Congress to clarify those provisions.

Mr. CAPEHART. Mr. President, on the ticker it is stated that informed sources said the President probably will ask Congress to do certain things in respect to the price-control law.

I challenge the President to send us a bill on that subject for us to consider, because Congress has just considered and passed a bill on that subject, and it was voted on by almost every Member of the Senate. Every one of the 14 conferees on the part of the House and the Senate—eight Democrats and six Republicans—voted for the conference report on that bill. So I challenge the President to send us a bill incorporating his ideas on this subject; and in that way let us find out whether the Congress and the people of the United States want to follow the Marxist philosophy or the Attlee or Socialist philosophy in England.

Let us find out once and for all whether we want to follow the socialistic line or whether we want to follow the philosophy of Washington, Jefferson, Lincoln, and Wilson. Let us decide this matter one way or the other. Let us find out once and for all whether we have a socialistic administration or whether we have not.

I wish to say that I think the present price-control law, which Congress passed

only a short time ago, is a good law, and I think it is one which can be well administered. It will keep the Nation from having run-away inflation.

Mr. MAYBANK. Mr. President, will the Senator yield?

Mr. CAPEHART. I am glad to yield.

Mr. MAYBANK. I do not desire to challenge the President, because I believe the President has a right to send to Congress whatever recommendations he wishes. However, as chairman of the Banking and Currency Committee, I insist—if my colleagues agree with me about this—that at least the administrators should try to see whether the law we have already passed this year, and also the law we passed last year, can be enforced.

Mr. CAPEHART. I agree 100 percent with the Senator from South Carolina.

Of course, Mr. President, there will be price increases if the administrators continue to tell the American people that prices will increase—just as the administrators said, before the ink on the law was dry, that automobile prices would rise and that the manufacturers had a right to increase automobile prices. Of course, that statement was an invitation to every automobile manufacturer in the United States to ask permission to increase his prices. The attitude taken by the administrators and the press releases they issue frighten the American people, when they tell the American people that prices will rise.

Mr. MAYBANK. Mr. President, will the Senator yield to me again?

Mr. CAPEHART. I am glad to yield.

Mr. MAYBANK. The statements which come from the Department of Agriculture show that prices of agricultural commodities have decreased for the last two periods on which the Department has issued statements. The prices of most agricultural commodities are away below parity, with the exception of the prices of cotton and wheat. Therefore, why should the prices of food rise?

Mr. CAPEHART. I agree with the Senator from South Carolina.

Again I say, as an individual Senator, that I challenge the President of the United States to send us a bill on this matter; and then let us find out, once and for all, whether we are going to follow the philosophy of the Socialists in England and are going to socialize our country, or whether we are going to have a truly American philosophy. Let us find that out now. Why should we delay 6 months or a year? Let us find out now whether the present administration is going to enforce the laws which have been passed by the Congress.

Mr. President, I took an active part in the consideration of the present price-control law. Not once has the President, Mr. DiSalle, Mr. Wilson, Mr. Johnston, or anyone else charged with the administration of that law asked for a conference with me or pointed out to me personally wherein the present law is wrong or asked me about any proposed changes or asked me for my interpretation of the law. They have not shown me the courtesy—and I think this statement is true of every other member of the Senate Banking and Currency

²⁵ New York Herald Tribune, July 4, 1951, p. 3.

²⁶ Washington Post, July 8, 1951, p. 3M.

Committee and of all members of the House Banking and Currency Committee—of sitting down and saying, "We think that is wrong," or "We think this is wrong; and if you correct it, we think the law will be all right."

On the contrary, all they have done is try their case in the newspapers of the United States, thus frightening the American people and pushing prices up, as a result of that fright.

Again I challenge the President of the United States to send us proposed legislation on this subject, and then let us decide once and for all whether we are to remain a Nation based on the system of private enterprise or whether we are going to become a socialistic nation.

MESSAGE FROM THE HOUSE

A message from the House of Representatives, by Mr. Maurer, one of its reading clerks, announced that the House had agreed to the report of the committee of conference on the disagreeing votes of the two Houses on the amendments of the House to the bill (S. 349) to assist the provision of housing and community facilities and services required in connection with the national defense.

ENROLLED BILLS SIGNED

The message also announced that the Speaker had affixed his signature to the following enrolled bills, and they were signed by the Vice President:

S. 248. An act authorizing the President of the United States to issue a proclamation designating 1951 as Audubon Centennial Year;

S. 353. An act relating to the time for publication of the Official Register of the United States;

S. 950. An act to amend the act authorizing the segregation and expenditure of trust funds held in joint ownership by the Shoshone and Arapaho Tribes of the Wind River Reservation for the purpose of extending the time in which payments are to be made to members of such tribes under such act, and for other purposes;

S. 1214. An act to authorize and direct conveyance of a certain tract of land in the State of Florida to the St. Augustine port, waterway, and beach district;

S. 1673. An act to authorize and direct the Administrator of General Services to transfer to the Department of the Air Force certain property in the State of Mississippi;

H. R. 1103. An act for the relief of Sidney Young Hughes;

H. R. 4106. An act to amend section 1732 of title 28, United States Code, entitled "Judiciary and judicial procedure" by adding a new subsection thereto "To permit the photographic reproduction of business records and the introduction of the same in evidence"; and

H. R. 4601. An act to provide that the admissions tax shall not apply in respect of admissions free of charge of uniformed members of the Armed Forces of the United States.

ENROLLED BILLS PRESENTED

The Secretary of the Senate reported that on today, August 21, 1951, he presented to the President of the United States the following enrolled bills:

S. 243. An act authorizing the President of the United States to issue a proclamation designating 1951 as Audubon Centennial Year;

S. 353. An act relating to the time for publication of the Official Register of the United States;

S. 950. An act to amend the act authorizing the segregation and expenditure of trust funds held in joint ownership by the Shoshone and Arapaho Tribes of the Wind River Reservation for the purpose of extending the time in which payments are to be made to members of such tribes under such act, and for other purposes;

S. 1214. An act to authorize and direct conveyance of a certain tract of land in the State of Florida to the St. Augustine Port, Waterway, and Beach District; and

S. 1673. An act to authorize and direct the Administrator of General Services to transfer to the Department of the Air Force certain property in the State of Mississippi.

AMENDMENT OF THE MERCHANT MARINE ACT, 1936

The Senate resumed the consideration of the bill (S. 241) to amend the Merchant Marine Act, 1936, as amended, to further promote the development and maintenance of the American merchant marine, and for other purposes.

The VICE PRESIDENT. The question is on agreeing to the motion of the Senator from Delaware [Mr. WILLIAMS] that Senate bill 241 be recommitted to the Committee on Interstate and Foreign Commerce.

Mr. McFARLAND. Mr. President, I suggest the absence of a quorum.

The VICE PRESIDENT. The Secretary will call the roll.

The legislative clerk called the roll, and the following Senators answered to their names:

Bennett	Hayden	McFarland
Benton	Hendrickson	McKellar
Bricker	Hickenlooper	McMahon
Butler, Md.	Hill	Millikin
Butler, Nebr.	Hoey	Moody
Byrd	Holland	Mundt
Cain	Humphrey	Nixon
Capehart	Hunt	O'Connor
Carlson	Ives	O'Mahoney
Case	Jenner	Robertson
Chavez	Johnson, Colo.	Russell
Clements	Johnson, Tex.	Saltonstall
Connally	Johnston, S. C.	Schoepfel
Cordon	Kefauver	Smathers
Dirksen	Kerr	Smith, Maine
Douglas	Kilgore	Smith, N. J.
Duff	Langer	Smith, N. C.
Dworshak	Lehman	Sparkman
Eastland	Lodge	Stennis
Eaton	Long	Thye
Ellender	Magnuson	Underwood
Ferguson	Malone	Watkins
Flanders	Martin	Welker
Frear	Maybank	Wherry
Fulbright	McCarrahan	Wiley
George	McCarthy	Williams
Gillette	McClellan	
Green		

Mr. JOHNSON of Texas. I announce that the Senator from New Mexico [Mr. ANDERSON] is absent by leave of the Senate.

The Senator from Missouri [Mr. HENNINGSEN], the Senator from Oklahoma [Mr. MONRONEY], the Senator from Montana [Mr. MURRAY], the Senator from West Virginia [Mr. NEELY], and the Senator from Rhode Island [Mr. PASTORE] are absent on official business.

Mr. SALTONSTALL. I announce that the Senator from Vermont [Mr. Aiken] and the Senator from North Dakota [Mr. Young] are absent by leave of the Senate.

The Senator from Maine [Mr. Brewster] is absent on official business.

The Senator from New Hampshire [Mr. BRIDGES], the Senator from Califor-

nia [Mr. KNOWLAND], and the Senator from Ohio [Mr. TAFT] are necessarily absent.

The Senator from Oregon [Mr. MORSE] and the Senator from New Hampshire [Mr. TOBEY] are absent because of illness.

The VICE PRESIDENT. A quorum is present. The question is on the motion of the Senator from Delaware [Mr. WILLIAMS] to recommit Senate bill 241.

LEGISLATIVE PROGRAM

Mr. McFARLAND. Mr. President, I desire to make an announcement in regard to the legislative program for the Senate. Some time ago, inasmuch as I thought we should have some goal for adjournment, I announced October 1 as a target day. At this time I intend to outline the program which we shall have to complete and a schedule we should follow if we are to meet that goal. To the extent that we fail to meet this schedule, to that extent the Senate will have to continue in session beyond our goal; and it may actually mean even a longer delay than the extra days used in connection with the consideration of bills.

The Senate is confronted with a difficult situation. Next on the agenda is House bill 4740, the State, Justice, Commerce, and judiciary appropriation bill for 1952. I had hoped we would be able to begin consideration of that bill last Monday. The senior Senator from Nevada, who is chairman of the subcommittee in charge of that bill, has informed me he has been invited to attend as an observer the Japanese Peace Treaty Conference in San Francisco. I am informed that eight members of the Foreign Relations Committee have likewise been invited to attend the conference as observers. If these Senators leave the Senate before the State, Justice, Commerce, and judiciary appropriation bill is passed and before the ECA authorization bill is passed, we may face long delay in the consideration of those two bills, since we do not know how long the peace conference will last. Consequently we must dispose of House bill 4740, the State, Justice, Commerce, and judiciary appropriation bill, this week. I do not know whether it will be ready. I do not know whether the committee will submit its report today, or whether it will do so tomorrow. If the report is submitted tomorrow, we shall certainly have to have a session of the Senate on Saturday, if we are to dispose of it, unless we can obtain an agreement of some kind fixing a time for its consideration after next week.

If the Committee on Foreign Relations and Armed Services are ready to report the ECA authorization bill by Monday, we should take up that bill and dispose of it next week. If the two committees are not ready, and if House bill 5054, the defense appropriation bill, is ready for consideration, we will, of course, take up that bill and try to dispose of it next week. That would compel us to wait the return of Senators from the Japanese treaty conference before we can consider the ECA authorization bill or the State-Justice-Commerce appropriation bill.

If we can meet this deadline, we will have the first 2 weeks of September in which to dispose of the tax bill and the ECA bill, if it is not ready next week. The final 2 weeks in September will be needed in which to dispose of conference reports and other legislation which is on the agenda, such as the postal rate increase bill, the postal employees' and classified employees' pay raise bill, the Sugar Extension Act, the military bases authorization bill, and necessary appropriation bills for ECA and military bases. This list is by no means exclusive and I hope that we can dispose of a number of other important bills during that period or possibly sandwiched in between action on major bills.

Mr. President, I realize that this is an ambitious program. However, it can be met, if Senators will make their time available to the Senate, rather than the Senate's trying to accommodate the wishes of individual Senators. Whether we meet this program or do not depends upon whether Senators are willing to accommodate themselves to the program.

Mr. WILLIAMS. Mr. President, will the Senator yield?

Mr. McFARLAND. I yield to the Senator from Delaware.

Mr. WILLIAMS. Is Senate bill 241 one of the "must" bills?

Mr. McFARLAND. We do not have it on the list as a "must" bill. It is regarded as an important bill, of course, but not as a "must" bill. None of the remaining so-called "must" bills were ready early this week.

Mr. WILLIAMS. If there is a "must" bill that must be passed before we adjourn, why do we not get to work on it?

Mr. McFARLAND. That is what we are trying to do. If a "must" bill were available Monday, as I hoped the State-Justice-Commerce bill would be, we would be considering it now. Meanwhile, it is desirable to attempt to dispose of other important bills which are pending, and we shall continue to follow that policy. Perhaps the Senator can work out a better program.

Mr. WHERRY. Mr. President, will the Senator yield?

Mr. McFARLAND. I yield.

Mr. WHERRY. I know I speak the sentiments of every Member of the minority when I say that the minority is willing to cooperate with the distinguished majority leader in the effort to get an adjournment by October 1. There is no doubt about that. I hope the program is not one of wishful thinking, but I feel it is a very heavy program. I am a member of the Committee on Appropriations, and I know something about the work which must be done in order to get the defense bills reported and passed by October 1. That in itself is quite an assignment. In those bills I include the mutual defense bill, which should be given proper attention. If that bill should be combined with the first defense appropriation bill, which is the regular 1952 bill, providing for \$56,000,000,000 or \$57,000,000,000, they will be and should be debated quite extensively, because if there is a dime in

either one of the bills that should and can be taken out, efforts will be made to do that very thing.

I suggest to the majority leader that there is already one supplementary bill to be considered, which came over from the House this morning. I am quite satisfied that before the Senate adjourns, a second one will come to the Senate providing in the neighborhood of five or six or seven billion dollars additional for defense.

So, while I am in complete agreement with the objectives of the majority leader, and shall offer the utmost cooperation in having the bills considered and passed before October 1, it will be quite an assignment. If the goal can be reached, the Senate ought to get to work. If we are going to run past October 1 and continue in session, that gives the situation an entirely different complexion.

The Senator from Delaware propounded a question which I was going to ask, namely, why not get the "must" bills out of the way? The agenda which the majority leader presented a few days ago contained "must" bills, did it not?

Mr. McFARLAND. Yes.

Mr. WHERRY. On that list was the home-rule bill.

Mr. McFARLAND. I did not list it as a "must" bill. I put it on the agenda with the hope that we shall be able to dispose of it. I may say to my good friend that probably we will not be able to act on all of the bills on the agenda. I am not going to say at this time which ones will be taken up and which ones will not.

If we continue in session until we pass all the bills and none remain for the second session, we shall be marking time when the second session begins, with nothing to do while waiting for committees to report bills. I know each Senator is going to be anxious to have action on a particular bill, and we shall have to do the best we can. I think it will take 2 weeks to pass some of the bills which probably should be acted upon this session.

I have received inquiries as to why we did not include the postal pay increase bill among the "must" bills. Each Senator earnestly believes some bill in which he is interested is a "must" bill. But if Senators really desire an adjournment, by October 1, we must pass the "must" bills.

In answer to the Senator's specific inquiry, we are not working on them because they are not yet out of committee; they are not here ready for floor consideration. If I may further answer the minority leader, we anticipated last week, when we took the bill now pending, that it would be laid aside for the State-Justice appropriation bill. I had been informed the appropriation bill would be ready on Monday, and I regret very much that it is not yet ready. Of course, these slow-downs may cause the Senate to remain in session after October 1.

If Senators say, "What is an extra day or two or three or four?" and work on that basis, the Senate will be in session until Christmas. We must have a goal and a schedule and we must try

to meet it. If there should be a delay of a day or two beyond the date we have picked, that would be too bad. We must have unanimous-consent agreements, and limitations of time, and must keep the debate germane, in order to meet the program.

I thank the distinguished minority leader for the cooperation he has given me in the past. We have made progress when we have gotten bills on the floor, but they must be on the floor before we can pass them.

Mr. WHERRY. Recurring to the question of "must" bills, because, after all, if the goal is October 1, certain bills must be passed, I am wondering if the distinguished majority leader will at his convenience furnish the minority a list of the "must" bills. It would certainly include the appropriation bills and the tax bill. That would guide us as to what the program is to be. If we can have an understanding that such bills as the home-rule bill are not to be considered as "must" bills, but are to be considered in the event they can be taken up, that would be some help in guiding the work of the Senate.

So I respectfully submit to the distinguished majority leader that if the goal is to be October 1, the majority leader at least consult with the minority as to when the various bills will be considered.

Mr. McFARLAND. Personally, I regard any defense bill as a "must" bill, and any appropriation bill as a "must" bill. When we go beyond that, we reach an agenda of bills which should be passed, but which are not absolutely "must" bills.

Reference has been made to the home-rule bill. I want to see the home-rule bill disposed of before the Senate adjourns, but it cannot be said to be absolutely essential. If the Senate desires to take it up, it is all right with me. I have no objection to that.

Mr. WHERRY. Mr. President, will the Senator yield further?

Mr. McFARLAND. Yes.

Mr. WHERRY. In the newspapers yesterday or this morning it was suggested that two of the bills coming up would be the statehood bills. Does the Senator consider those bills as "must" bills, measures which must be passed prior to the adjournment on October 1?

Mr. McFARLAND. If they are "must" bills, we shall not be able to adjourn on October 1.

Mr. WHERRY. That is the point I had in mind. If the distinguished majority leader will give us an agenda of the "must" bills which must be passed by October 1, we can work toward that point, and know which measures are to be considered.

Mr. McFARLAND. I have given the Senator from Nebraska a 2 weeks' ambitious program. I have given him a program which will take us up to the 15th of September. The bills I have mentioned are those on which we must work between now and September 15. Then we will see where we stand. If "must" bills are reported promptly and disposed of on the floor expeditiously, we can reshuffle the program and pass as

many other bills on the agenda as possible.

Mr. WHERRY. I may say to the majority leader that the "reshuffling" is what I am interested in. If we are going to reshuffle I should like to know if we on this side of the aisle cannot be in on the reshuffling, because it will make a great deal of difference as to what bills are brought up in the last 2 weeks of the session.

Mr. GEORGE. Does the Senator from Nebraska want a new deal?

Mr. WHERRY. I want at least a fair deal.

Mr. McFARLAND. There are some bills which it is absolutely essential the Congress pass before adjournment.

Mr. SALTONSTALL. Mr. President, will the Senator from Arizona yield to me?

Mr. McFARLAND. I yield.

Mr. SALTONSTALL. I wish to make a brief observation and then ask a question. I am a member of the Senate Appropriations Committee and also a member of the Armed Services Committee. I am convinced, without making improper disclosures on the floor, that some further requests for appropriations will come to the Armed Services Committee, requests which are not even now before the Congress, and will not be for several weeks. If, as the Senator from Arizona says, we are to adjourn on October 1, bills dealing with the requests to which I have just referred will have to be given very hasty consideration.

A group of Senators is going to San Francisco in September. I wonder whether it would not be the wiser course to give a breather at that time, in order that the Armed Services Committee may have an opportunity to consider the bills dealing with the requests for appropriations, and that then the Senate resume its session. Otherwise, the bills to which I refer are not going to be given sufficient consideration by the Armed Services Committee and will be given little consideration by Congress—that is, if we are really going to adjourn on October 1.

Mr. McFARLAND. If we should have the "breather" suggested by the Senator from Massachusetts, we would remain in session until Christmas. Senators might as well make up their minds now that if we are to have a recess until the Senate Armed Services Committee can pass on the proposed legislation, we will be in session until the first of next year; there will be no recess of this first session of Congress.

Mr. SALTONSTALL. Mr. President, will the Senator yield for one more question?

Mr. McFARLAND. I yield.

Mr. SALTONSTALL. I will say to the Senator from Arizona that if the Armed Services Committee is not ready to make recommendations to the Senate at an early date, the Senate will have to give proper consideration to recommendations when they are made by the committee.

Mr. McFARLAND. Mr. President, I have outlined the program to the administration. I know that additional appropriation bills are still to be reported, but our tentative schedule leaves 2 weeks for their consideration. That is the rea-

son why I cannot say at this time, almost 4 weeks ahead, just how many of the other bills on the agenda can be passed. We have allowed two solid weeks to dispose of the measures to which the distinguished Senator from Massachusetts is referring.

Mr. THYE. Mr. President, will the Senator yield?

Mr. McFARLAND. I yield.

Mr. THYE. As a member of the subcommittee of the Appropriations Committee dealing with military affairs, I cannot see how the Senate can complete its work by October 1 and give proper consideration to some of the proposals which will come before it. I believe the suggestion made by the senior Senator from Massachusetts is a sound one. Knowing that many of the senior Members of the Senate are going to San Francisco to attend the conference to be held there in September, knowing that in fact that they must attend that conference, knowing the length of time during which they must attend the conference, and that many committees of the Senate will be practically marking time during that period, it seems to me that the suggestion made by the Senator from Massachusetts is a reasonable one, namely, that a brief time be taken for a "breather" while the House is in recess, and that the Senate then reassemble—

Mr. McFARLAND. And remain in session until Christmas.

Mr. THYE. The Senate will be in session quite a while in October, if I am not badly mistaken, and the Senate will be marking time for 2 weeks in the early part of September waiting for some of the important legislative measures which must be acted upon.

The House is going to be in recess. I should like to cooperate wholeheartedly and in every conceivable manner to make the program outlined by the majority leader possible, but I must say frankly that the Senate is going to mark time the fore part of September, and the Senate will have to remain in session until well into October if we are to legislate intelligently and wisely on the bills which will come before us. I wish to have the Senate act as efficiently and as wisely as possible on the appropriation measures which will come before it.

Mr. McFARLAND. Mr. President, I will say to my friends on the other side of the aisle that if the Senate does not care to follow the program I have outlined, that is a matter which is up to the Senate to decide. The Senate can act wisely, the Senate can do everything I have outlined in the time I have suggested, if it desires to do so. As soon as the committees conclude their deliberations on the "must" legislation—and I hope they will do so as quickly as possible—we can begin to meet at 10 o'clock in the morning instead of at 12 o'clock, and work all day on the floor, instead of Senators attending to committee work, because there will be a sufficient number of bills reported by committees to keep the Senate occupied constantly.

Mr. LANGER. Mr. President, will the Senator yield?

Mr. McFARLAND. I yield.

Mr. LANGER. I think I can assure the distinguished majority leader, speaking as one of the ranking Members on this side of the aisle, that the Republican Party will be ready to have Congress adjourn on the 1st of October. Is it the present plan that we shall adjourn for the whole of October, November, and December?

Mr. McFARLAND. We hope we can do so. I think the distinguished Senator from North Dakota will agree with me that it is not so easy for those of us who live a long distance from Washington to go home and return as it is for those who live in the eastern half of the United States. It takes us some time to get home. I know that the Members of the Senate whose homes are close to Washington would welcome a recess of a week or 2 weeks now. But such a recess is not a recess for those Members who live far from the Capitol.

Mr. LANGER. I assure the distinguished Senator that I, for one, am ready to adjourn as of October 1.

Mr. THYE. Mr. President, will the Senator from Arizona yield?

Mr. McFARLAND. I yield.

Mr. THYE. I wish to assure the distinguished majority leader that I shall cooperate, and lend the little influence I have to assist in making certain that Members on our side of the aisle will cooperate in order that the program set forth by the majority leader may be carried through. I shall render him every assistance I can. But I could not help giving the majority leader some of the information which has come to me relative to what some of the supplemental appropriation bills might be like. I was simply passing the information on to him, because I hear the constant rumbling of Senators who remain here week in and week out in an endeavor to assist in carrying through the legislative program. I hear their complaints over the fact that they are not allowed any particular time to go back to their respective States and "mend fences," as we call it, politically. For that reason I suggested that a recess of perhaps a couple of weeks might be advisable, and that the Senate then reassemble and legislate until the "must" bills are out of the way.

I asked the Senator to yield so that I might assure him that he would have my cooperation, and that I should endeavor to bring to bear all the influence I have in putting over his program in the time schedule he has given.

Mr. McFARLAND. I thank the Senator from Minnesota. Much will depend on the willingness of Senators to accommodate themselves to the work of the Senate. The House is taking a recess until the 12th of September, but the Senate will have plenty to do in considering legislation until the 12th of September, before the House reassembles.

I wish to say further that, so far as I am concerned, no measures will be passed which have not been properly considered. I would rather set a later date for adjournment than run the risk of not properly and carefully considering all proposed legislation.

Mr. LANGER. Mr. President, will the Senator yield?

Mr. MCFARLAND. In a moment. Unfortunately, a great deal of the time the Senate is in session is wasted. I have pointed out before that we waste 1 day a week in quorum calls alone. We have an average of three quorum calls a day, and it takes 20 minutes to complete a quorum call. That is another thing we must eliminate. We can carry out the proposed program, and do so properly, if it is the desire of the Members of the Senate, but the success of the program is going to depend on the willingness of Senators to cooperate. We must make up our minds that we will be present in the Senate when the Senate convenes, ready to transact business. We must transact business in a more orderly manner. We must receive the fullest cooperation from every Senator, or we will not be able to carry out the program. Some say, "You do not expect to meet that program; do you?" I hope to meet it. I think we can meet it. Perhaps we shall not, but that will depend on the Senate.

Mr. ELLENDER. Mr. President, will the Senator yield?

Mr. MCFARLAND. I yield.

Mr. ELLENDER. Speaking of important bills, I am sure that the Senator is aware that the Finance Committee reported unanimously the so-called sugar bill, which reenacts the Sugar Act of 1943. That bill is sponsored by 31 Senators. I know of no opposition to it. I am wondering if I could get a little time this afternoon in order to have that bill passed.

Mr. MCFARLAND. I hope we can dispose of the pending motion to recommit. Then perhaps we can temporarily lay aside the unfinished business for the consideration of the sugar bill.

Mr. WHERRY. Mr. President, will the Senator yield?

Mr. MCFARLAND. I yield.

Mr. WHERRY. That is exactly the point the minority leader was making. I agree that the sugar bill is an important bill. It is sponsored by a great number of Senators. That is the reason I am asking the majority leader the questions which I am propounding. If we are to work toward a certain goal, it seems to me that there should be no doubt about the "must" legislation which he expects to have passed. The Sugar Act must be extended. I am perfectly willing to take it up at any time.

One of the reasons why we spend so much time in quorum calls is the fact that the committees are working every day. That is especially true of the Appropriations Committee and its subcommittees. Yesterday, with two committees handling the mutual-defense bill, we had great difficulty in obtaining a quorum.

My feeling is that if we take up only the must legislation, the committee members will have more time to handle the bills which must be handled as a part of the must legislation. I happen to be a member of the Armed Services Subcommittee of the Committee on Appropriations. We have only scratched the surface in hearings on appropriations for the armed services. If that work is not done in the committee, it must be done on the floor of the Senate,

and that will take time. There are many factors to be considered. I believe that if the majority leader would furnish the minority a list of the must legislation—

Mr. MCFARLAND. That I have done. I have announced it on the floor of the Senate.

Mr. WHERRY. Was that the agenda which was announced the other day?

Mr. MCFARLAND. That was the agenda which was announced the other day.

Mr. WHERRY. One of the bills on the agenda is the home-rule bill.

Mr. MCFARLAND. I understand; but I cannot tell the Senator a month ahead the day and hour each bill is to be considered, apart from the schedule I have outlined for the major bills.

Mr. WHERRY. Is that a must bill?

Mr. MCFARLAND. We have announced a program which will occupy a month; the home-rule bill is on that agenda.

Mr. WHERRY. If the Senator says that is the agenda, then we have it. I did not know it.

Mr. MCFARLAND. I stated that I did not know how many of the bills on the agenda we could dispose of. We shall dispose of as many of them as possible. It is impossible to announce, 3 or 4 weeks in advance, just what bills will be considered. We will have enough before the Senate in the immediate future to keep it occupied for a month. The Senate has notice of what we are planning to do. We may have to rearrange our program now and then to handle the defense bills as they come in.

Mr. ELLENDER. Mr. President, will the Senator further yield?

Mr. MCFARLAND. I yield.

Mr. ELLENDER. I did not understand the majority leader to place the home-rule bill in the category of must bills.

Mr. MCFARLAND. I placed it on an agenda of bills which could be considered, and which I hoped would be considered before adjournment, but not before the more essential must bills had been disposed of.

Mr. WHERRY. Mr. President, will the Senator yield?

Mr. MCFARLAND. I yield.

Mr. WHERRY. I misunderstood the distinguished majority leader just now, because I had understood that he had already presented an agenda of bills which the Senate would consider. If that is not the agenda, I should like to know it. I want the majority leader to know that he will have our cooperation. He has had it. So far as I am concerned, if we could get away from here by September 15, it would suit me much better. I shall try to cooperate on that basis. The point is that if we are to have a program and a goal, we should know what the must legislation is.

Mr. MCFARLAND. I shall say it again, if necessary, and again. The must legislation is as follows: All appropriation bills; the tax bill; the authorization for ECA; the authorization for military bases; and the ECA and military bases appropriation bills. That is the must legislation. It also in-

cludes any other bill which involves national defense.

Mr. HENDRICKSON. Mr. President, will the Senator yield?

Mr. MCFARLAND. There are some other bills which might come up, small bills, which may be considered as essential or necessary legislation. However, the bills which I have mentioned are those which must be enacted under any circumstances.

Mr. WHERRY. Mr. President, will the distinguished majority leader yield once more?

Mr. MCFARLAND. I yield.

Mr. WHERRY. Is the Senate to consider all bills on the agenda, aside from what he says is must legislation, as bills which will be taken up in the event they can be sandwiched in between the must bills?

Mr. MCFARLAND. The must bills, as I see it, will have to be gotten out of the way by the middle of September. That will give 2 weeks more to consider the remainder of the agenda and the conference reports. It will require some time for the conferees to meet. The House will not be back until September 12, and we must get those bills out of the way before they return, if possible. That will give us the last 2 weeks in September in which to consider as many as possible of the other bills.

Mr. HENDRICKSON. Mr. President, will the Senator yield?

Mr. MCFARLAND. I yield.

Mr. HENDRICKSON. The distinguished majority leader said that the Senate wastes a great deal of time on the floor. The junior Senator from New Jersey agrees wholeheartedly with that statement. The distinguished majority leader estimates that we lose 1 day a week in quorum calls. I should like to ask the majority leader if he would care to estimate what time we lose on the floor of the Senate in listening to speeches which are not germane to the issue.

Mr. MCFARLAND. I do not believe I would care to make an estimate now. It amounts to a great deal of time. I will say to my good friend that I hope we may cure that situation by having unanimous-consent agreements limiting debate. The distinguished minority leader [Mr. WHERRY] has been very cooperative in helping to reach such agreements in the past.

As to the speeches which the distinguished Senator mentions, personally I am willing to remain here until a late hour to listen to Senators who want to make speeches for the RECORD in order to give them that opportunity when we are not considering legislation.

Mr. CASE. Mr. President, will the Senator yield for a question?

Mr. MCFARLAND. I yield.

Mr. CASE. Would it be possible at this time to obtain a unanimous-consent agreement that the defense bills and the appropriation bills which the majority leader has labeled as "must" bills be given the right-of-way whenever one of them is ready, and that debate on them shall be germane; also that, secondarily, the other list of bills to which the majority leader has referred be regarded as having a second priority; and that any of them, in the order in which the majority

leader may suggest, may be taken up, but that if any of them should be pending when a "must" bill comes along, the pending bill shall be laid aside temporarily?

Mr. McFARLAND. That is basically the program, I will say to my friend, which will be followed if Senators will cooperate. I think we shall be able to carry it out as the bills come up. However, it would be extremely difficult to obtain a unanimous-consent agreement of that kind before the bills are even reported. I hope that the unanimous-consent agreements will carry with them a limitation on debate.

Mr. LANGER. Mr. President, will the Senator yield?

Mr. McFARLAND. I yield.

Mr. LANGER. I desire to invite the attention of the majority leader to a speech delivered by the President of the United States in Philadelphia when he was a candidate. It shows that this work can be done very much faster than we have been doing it.

At the Philadelphia convention, when the President accepted the nomination, he said:

On the 26th day of July, which out in Missouri we call turnip day, I am going to call Congress back and ask them to pass laws to halt rising prices, to meet the housing crisis—which they are saying they are for in their platform.

At the same time I shall ask them to act upon other vitally needed measures, such as aid to education, which they say they are for; a national health program; civil rights legislation, which they say they are for; an increase in the minimum wage, which I doubt very much they are for—

He mentioned three or four other measures. He said that we could pass them all in 15 days.

Mr. CASE. Mr. President, if the Senator from Arizona will yield, I should like to address a question to the Senator from North Dakota.

Mr. McFARLAND. I yield.

Mr. CASE. When was the speech delivered?

Mr. LANGER. That speech was delivered by the President of the United States at the Philadelphia convention, when he was a candidate.

Mr. CASE. In 1948?

Mr. LANGER. In 1948.

Mr. CASE. And he said that all that could be done in 15 days?

Mr. LANGER. In 15 days; yes.

Mr. CASE. How many of those measures which the Senator has mentioned have been accomplished in 3 years or more?

Mr. LANGER. Less than half of them.

Mr. CASE. Has the President been in office all this time, and has his party been in power in the Congress?

Mr. LANGER. His party has been in power continuously. We have had a Democratic President all this time.

Let me read what the President said:

They can do this job in 15 days if they want to do it.

Mr. CASE. Is the Senator's eyesight good?

Mr. LANGER. My eyesight was never better.

Mr. CASE. Is the Senator from North Dakota sure that that is not a typographical error?

Mr. LANGER. I am sure it is not a typographical error. I will show it to my distinguished friend. It says 15 days.

Mr. CASE. I cannot quarrel with it. That is what it says. My eyesight reveals the same thing. I am at a loss to understand how the President of the United States could make such a statement and not have the legislation passed in 15 days. So far as I know of the measures which the Senator from North Dakota has listed none has been passed in that long period of time. Certainly none has been passed as permanent legislation.

Mr. LANGER. My distinguished friend, the Senator from Missouri [Mr. KEM] first called my attention to the fact that the President had made a speech in which he listed the items, including civil rights legislation, which he said could be passed in 15 days. I was amazed that in all this time, while the Democratic Party had been in power, the legislation should not have been passed.

Mr. CASE. Will the Senator yield for another question?

Mr. LANGER. I yield.

Mr. CASE. Does the Senator agree that the only form of civil rights legislation which is before the Senate is the so-called home rule bill?

Mr. LANGER. I am not sure of that.

Mr. CASE. At least that bill is before the Senate.

Mr. LANGER. Yes.

Mr. CASE. Does the Senator from North Dakota have any explanation for the failure of the administration to have passed in 3 years legislation which was supposed to have been passed in 15 days?

Mr. LANGER. No. My distinguished friend from Missouri [Mr. KEM] may have an explanation.

Mr. KEM. I was going to ask my friend, the Senator from North Dakota [Mr. LANGER] how many of the bills which were mentioned by the President in his speech are on the agenda which has been referred to by the distinguished majority leader today.

Mr. LANGER. Less than half of them.

Mr. KEM. Are there as many as half? Is civil rights legislation on the agenda of the majority leader?

Mr. LANGER. No.

Mr. KEM. Is Federal aid to education on the agenda of the majority leader?

Mr. LANGER. No.

Mr. KEM. Is housing legislation on the agenda?

Mr. LANGER. I think we have passed some kind of housing legislation. I should like to show this part of the President's speech to the distinguished majority leader. He may not have seen it.

Mr. MAGNUSON. Mr. President, will the Senator yield for a question?

Mr. LANGER. Mr. President, I decline to yield until I have shown this speech to the majority leader. I want to call his attention to the fact that the President said the measures he mentioned could be passed in 15 days.

Mr. MAGNUSON. Mr. President, will the Senator yield?

Mr. LANGER. Yes.

Mr. MAGNUSON. Apropos of what the Senators on the other side of the aisle are discussing at the moment, I would suggest that if we could get busy on the pending bill we could accomplish one of the things on the program we have been discussing here for an hour and a half.

Mr. LANGER. I wish to call the attention of the majority leader to what the President said we could do. The President was a member of this body for 5½ years. I suggest that the distinguished majority leader go to the White House and consult with the President. He may be able to find out exactly how all this could be done in 15 days.

Mr. McFARLAND. Instead of doing that I will consult with the Senator from North Dakota as to how we can accomplish the program.

Mr. LANGER. If we could do it in 15 days, we could go home by September 15.

AMENDMENT OF THE MERCHANT MARINE ACT, 1936

The Senate resumed the consideration of the bill (S. 241) to amend the Merchant Marine Act, 1936, as amended, to further promote the development and maintenance of the American merchant marine, and for other purposes.

The PRESIDING OFFICER (Mr. GILLETTE in the chair). The question is on agreeing to the motion of the Senator from Delaware [Mr. WILLIAMS] to recommit Senate bill 241.

Mr. KEM. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk called the roll, and the following Senators answered to their names:

Bennett	Hayden	McFarland
Benton	Hendrickson	McKellar
Bricker	Hickenlooper	McMahon
Butler, Md.	Hill	Millikin
Butler, Nebr.	Hoey	Moody
Byrd	Holland	Mundt
Cain	Humphrey	Nixon
Capehart	Hunt	O'Connor
Carlson	Ives	O'Mahoney
Case	Jenner	Robertson
Chavez	Johnson, Colo.	Russell
Clements	Johnson, Tex.	Saltonstall
Connally	Johnston, S. C.	Schoeppel
Cordon	Kefauver	Smathers
Dirksen	Kerr	Smith, Maine
Douglas	Kilgore	Smith, N. J.
Duff	Langer	Smith, N. C.
Dworshak	Lehman	Sparkman
Eastland	Lodge	Stennis
Eaton	Long	Thye
Ellender	Magnuson	Underwood
Ferguson	Malone	Watkins
Flanders	Martin	Welker
Frear	Maybank	Wherry
Fulbright	McCarran	Wiley
George	McCarthy	Williams
Gillette	McClellan	
Green		

The PRESIDING OFFICER (Mr. ELLENDER in the chair). A quorum is present.

The question is on agreeing to the motion to recommit.

Mr. McLELLAN. Mr. President, a parliamentary inquiry.

The PRESIDING OFFICER. The Senator will state it.

Mr. McLELLAN. What is the pending motion?

The PRESIDING OFFICER. The question is on agreeing to the motion of the Senator from Delaware [Mr. WILLIAMS] that Senate bill 241 be re-committed to the Committee on Interstate and Foreign Commerce.

Mr. WILLIAMS. Mr. President, I should like to point out that the reason why I make the motion to recommit the bill is that the so-called substitute proposal which is offered by the Senator from Washington [Mr. MAGNUSON] and the Senator from Maryland [Mr. O'CONNOR] will come to us with a supplementary report marked "Part 2 of Report No. 295"; and is represented as if it were a committee report and as if the proposed amendment in the nature of a substitute were a recommendation of the committee itself. For instance, on page 5 of the supplementary report, in the first paragraph, we find the following quote:

Your committee concurs in this recommendation.

At other places in the supplementary report it is stated that the committee recommends so-and-so. Throughout the supplementary report it is stated that the committee—meaning the Committee on Interstate and Foreign Commerce—recommends these proposals. That is not true.

If I am mistaken, I should like to have the Senator from Washington correct me—that aside from the Senator from Washington [Mr. MAGNUSON] and the Senator from Maryland [Mr. O'CONNOR], not another member of the committee has seen either the amendment or the report. This is not a committee recommendation.

If I am in error in what I have said, I should like to have the Senator from Washington state who made the supplementary report.

Mr. MAGNUSON. Mr. President, the Senator from Maryland [Mr. O'CONNOR] and I had the report prepared to explain the amendment which we intend to offer. As a matter of fact, the supplementary report would not have been printed a week ago except for the fact that the Senator from Delaware said he had not seen the suggested amendments. The amendments have only been printed; they have not yet been offered.

Mr. WILLIAMS. Then I understand that the Senator from Washington agrees with me that the amendment in the nature of a substitute which he will offer along with its so-called report has not been agreed to or reviewed by the committee itself.

Mr. MAGNUSON. That is not correct; I shall point out how many times it has been considered.

Mr. WILLIAMS. I am speaking of the Magnuson proposal in the nature of a substitute and the supplementary report filed last week in the name of the committee. Did or did not the committee examine the Senator's amendment and write the supplementary report and recommend to the Senate the adoption of the amendment in the nature of a substitute?

Mr. MAGNUSON. The supplementary report is only an explanation by

the Senator from Maryland and myself of what the amendments are; the supplementary report is for the benefit of the Senate.

Mr. WILLIAMS. If that be true, I most respectfully suggest—

Mr. MAGNUSON. I would be glad to read the supplementary report to the Senate as an explanation of our amendments.

Mr. WILLIAMS. Then I most respectfully suggest that the Senator from Washington should have considered that procedure before, and should not have prepared the supplementary report in such a way as to lead other Senators to think that the amendment in the nature of a substitute is a proposal of the committee itself.

Furthermore, Mr. President, the supplementary report gives the impression that the various departments and agencies have been consulted and have reconciled their differences. Many telegrams are coming to the Members of the Senate urging the adoption of the bill with the Magnuson amendment on the assumption that the various departments have reconciled their differences. The supplementary report clearly gives the impression that everybody has reconciled the differences of opinion and withdrawn their objections. That is not true.

I did not see the supplementary report or the proposed amendment in the nature of a substitute until after the supplementary report had been offered by the Senator from Washington and until after he had obtained consent of the Senate to have the bill made the unfinished business for the following day. The first time I saw a copy of the supplementary report and a copy of the amendment was when they were brought to my office and submitted to me by those who are interested in the adoption of the amendment, namely, the shipping companies. I have no objection to having the shipping companies examine this measure; they should do so. However, I do object when, as a Member of the Senate, I have to get the necessary information from the lobbyists of the industry rather than from the committee.

I have received many telegrams urging my support of the Magnuson amendment, and I received some of those telegrams 24 hours before I could even get a copy of the proposal from the committee of which I am a member. Certainly that is not the way in which we should legislate.

I have made the motion to recommit the bill to the Committee on Interstate and Foreign Commerce in order that that committee may have an opportunity to study the Magnuson proposal and to receive the recommendations for or against it by the various departments and agencies which are interested, then the committee can report the measure to the Senate with its recommendation, along with an accurate estimate of its cost.

I do not know whether the Treasury Department is in agreement with the Magnuson amendment. I do know that the Treasury Department was very much in disagreement with Senate bill 241, as it is on the calendar; and after reading the Magnuson amendment I see very lit-

tle difference between it and the original bill.

I tried to get an opinion from the Treasury Department. Mr. Shersky of that department said he had no knowledge of what the Magnuson proposal embodies.

I tried to get an opinion from the Maritime Administration in regard to this matter. The representatives of the Maritime Administration said they would not go along with Senate bill 241, in view of the fact that it would increase the subsidies even beyond what the Maritime Administration recommends. Therefore the Maritime Administration does not endorse Senate bill 241 nor does it endorse the Magnuson substitute.

So, Mr. President, I say we should carefully examine the present proposal in the nature of a substitute. I am willing to have the bill recommitted to the Committee on Interstate and Foreign Commerce, and to let the committee obtain the necessary information, and then report later to the Senate. I do not care when they report, just so we may know that the committee has examined the Magnuson amendment, and that whatever action the Senate takes, it will take with its eyes open.

Mr. MAGNUSON. Mr. President, will the Senator yield for a question?

Mr. WILLIAMS. I yield the floor to the Senator from Washington.

Mr. MAGNUSON. Mr. President, I do not like to be in constant disagreement with my friend from Delaware, but he makes statements regarding which I sometimes believe he does not have the information at hand, or, if he has it at hand, that he has not paid any attention to it. In the first place, he says he wants to contact the Maritime Board and the Treasury Department. The Senator from Maryland [Mr. O'CONNOR], I think, has in his possession a long letter from the Department of Commerce, which I am sure was sent to him some time ago. That letter is the result of many conferences held by the Maritime Board, the Department of Commerce, and the Treasury Department, regarding this matter. I intend to put that letter in the RECORD. As I say, it is the result of many conferences, at which none of us were present.

Mr. WILLIAMS. Mr. President, will the Senator yield for a question?

Mr. MAGNUSON. I yield.

Mr. WILLIAMS. As I stated before, we know so little about the substitute proposal that I do not think we should vote on it today, I should like to ask again whether the Commerce Department, in the letter which the Senator from Maryland [Mr. O'CONNOR] has, and which letter the Senator from Washington intends to place in the RECORD, endorses the amendment proposed by the Senator from Washington?

Mr. MAGNUSON. I will answer the question in this way—

Mr. WILLIAMS. The Senator can answer with a yes or no. I respectfully submit that either they do or do not.

Mr. MAGNUSON. I shall answer the question, if the Senator will permit me to do so. I think there is a misunderstanding. The subject which is before the Senate is Senate bill 241, a bill which

the Senator from Maryland and I would have liked to see passed.

Let us get the facts straight. There was some objection to S. 241 on the part of the Treasury Department. The Maritime Board suggested certain amendments, which we think were in line with the proposed amendment. The committee voted to report Senate bill 241, and it has been on the calendar for many months. When it was reached on the call of the calendar the Senator from Delaware made certain objections. Because of those objections, the Senator from Maryland and myself receded from our original position on the bill which has been reported by the committee, hoping that we might iron out whatever disagreements may have existed in the committee. There were many, many conferences between the Treasury Department and the men whom the Senator from Delaware mentioned. I do not know whether all of them were present, but several officials in the Treasury Department were present. As well as I remember, there must have been as many as 10 or 12 meetings on this matter, attended by representatives of the departments which are concerned, and as a result of those conferences, certain amendments were suggested to Senate bill 241, the effect of which would be to modify the bill very much in line with the suggestions made by the Senator from Delaware.

Mr. WILLIAMS. Mr. President, will the Senator yield?

Mr. MAGNUSON. I will yield in a moment. Let me get the chronological statement in the RECORD. The Senator from Maryland and I merely have amendments to be offered to Senate bill 241, which amendments would in effect modify the bill more along the lines of what the Senator from Delaware wanted, and, with perhaps one exception, which I intend to indicate, more in line with what was desired by the Department of Commerce, the Maritime Board, the Treasury, and the administration. We therefore merely printed the amendment in the nature of a substitute in order that it might lie on the desk, and that Senators might have the benefit of studying the amendments.

Mr. WILLIAMS. Mr. President, will the Senator yield for a question?

Mr. MAGNUSON. Let me finish, and then I shall be glad to yield. Furthermore, because the bill is a technical one, we thought it would be advisable to print a report explaining the amendments which we intend to offer. The amendments have not yet been offered. The subject which is before the Senate is Senate bill 241. I think perhaps the Senator from Maryland and I, in connection with our purpose of endeavoring to simplify the matter, tried to reach the distinguished chairman of the committee on Monday. He was out of the city. I thought the majority leader had said that this bill would be brought up for consideration this week. Last week he wanted to bring it up, but I said we were not yet ready. The majority leader indicated it might be possible to sandwich the bill in during the consideration of the appropriation bills.

Therefore, the Senator from Maryland and I, in all good faith, hoping we might be helpful, merely had this report printed. It is lying on the desk. If anyone interprets it as a committee report, that interpretation is erroneous. It should not be so considered. It should have indicated that it was a report submitted by the Senator from Maryland and myself in explanation of the amendments which we have hoped to offer, embodied in an amendment in the nature of a substitute, which would give us a clean bill. The Senator from Delaware has created the impression, I do not think deliberately—

Mr. WILLIAMS. Mr. President, will the Senator yield for a question on that point?

Mr. MAGNUSON. Let me finish my chronological statement.

The PRESIDING OFFICER. The Senator from Washington declines to yield.

Mr. MAGNUSON. The Senator from Delaware has, I think, created the impression, I do not believe he has done it deliberately, that the substitute amendment is new matter to come before the Congress. For the benefit of the Senate, let me indicate the amount of consideration which has been given to Senate bill 241. It is the original bill. It is on the calendar. It was objected to, in part, by the Senator from Delaware. It contains a provision involving accelerated depreciation, which I think was not mentioned by the Senator from Maryland and myself, but which, in deference to the views of the Senator from Delaware, we eliminated from the substitute amendment.

Mr. WILLIAMS. The Senator from Washington knows that what I am objecting to is the printing of the report as a committee document.

Mr. MAGNUSON. Mr. President, I will clear that up now. I ask unanimous consent to withdraw the explanation of the Magnuson-O'Connor amendments from the desk. It was printed in order that Senators might have the benefit of our views. If it will satisfy the Senator from Delaware, I ask unanimous consent that the explanation may be withdrawn.

The PRESIDING OFFICER. The Senator from Washington asks unanimous consent that part 2 of Report No. 295 to Senate bill 241, Calendar 724, be withdrawn. Is there objection? The Chair hears none, and it is so ordered.

Mr. O'CONOR. Mr. President, will the Senator from Washington yield for a question?

Mr. MAGNUSON. I yield.

Mr. O'CONOR. Is it not a fact that everything which is embraced in the proposed substitute was included in the original bill, so that no new subject matter is included in the proposed substitute; and, therefore, is it not a fact that there is not being brought forward anything novel or anything which has not hitherto been considered?

Mr. MAGNUSON. That is correct. Nothing is being brought forward which has not been considered at great length heretofore. The substitute is merely lying on the desk. Perhaps the Senator from Maryland and I, after further con-

sideration of S. 241, will not even submit the substitute; but we thought it would constitute a satisfactory approach.

Mr. O'CONOR. Mr. President, will the Senator yield further?

Mr. MAGNUSON. I yield.

Mr. O'CONOR. Is it not, therefore, a fact that the proposed substitute is merely an abbreviated form, so that it includes nothing new, but eliminates a few features which, at certain points, have been considered objectionable?

Mr. MAGNUSON. They were objected to by the Senator from Delaware. In other words, the substitute we intended to propose is much more in line with what the Senator from Delaware discussed in the hearings than is the bill which is now before the Senate. We thought we were helping the Senator from Delaware.

Mr. WILLIAMS. Mr. President, will the Senator yield?

Mr. MAGNUSON. I yield.

Mr. WILLIAMS. I appreciate the concern of the Senator from Washington for the Senator from Delaware, but I remind him that I form my own decisions. I did not delegate to him any authority to act as my agent. Of course, any member of the committee, or any Member of the Senate, can offer a substitute. I am not objecting to that. What I object to is the fact that the Senator furnished an explanation of the substitute as if it were an endorsement by the committee.

Mr. MAGNUSON. That is withdrawn and is out of the way. We wanted to have before the Senate an explanation of our amendments. The substitute is only lying on the desk to be presented. Senate bill 241 is before the Senate, and the substitute embodies nothing which is not contained in Senate bill 241. It is merely a modification toward the viewpoint of the Senator from Delaware.

The hearings conducted on the bill lasted 8 days. Twenty-eight witnesses were heard, and there were 419 pages of printed testimony. Three executive sessions were held, two executive sessions of the subcommittee and one of the full committee. The number of sessions attended by the Senator from Delaware was six.

On the other phases of the so-called long range bill, hearings were held for 25 days and 134 witnesses were heard. There are 1,474 pages of transcript. The Senator from Delaware attended 6 days.

Mr. WILLIAMS. Mr. President, will the Senator yield?

Mr. MAGNUSON. I yield.

Mr. WILLIAMS. I think, if the Senator will examine the record, he will find that my attendance was as good as that of the Senator from Washington. You forget I was not a member of the committee until after the hearings on the first bill were under way. I was not privileged to attend the sessions until after I became a member of the committee. After I became a member of the committee I attended the majority of the sessions. At least, I attended enough to realize what a steal this proposal is.

Mr. MAGNUSON. I am not criticizing the attendance of the Senator. I am pointing it out for the opposite reason,

that he has stated that he did not have time to consider the bill. The trouble with the Senator from Delaware is that he wants to misinterpret someone's objectives. I was not criticizing the Senator's lack of attendance. I am pointing out that he was there.

This bill has been on the calendar for quite a while. The total number of hearings conducted on the whole question was 33, and 162 witnesses were heard. The Senator from Delaware was present for two solid weeks of the hearings, 14 days. With all that testimony, if the Senator objects to the report, I do not see that there is any good reason for the bill to go back to the committee. It is an important bill. It can be readily explained. If the Senate does not want to vote for it, that is the Senate's privilege.

I want the Senator from Delaware to listen to my statement. I did not bring the bill up on the floor. I never even appeared before the Policy Committee. As a matter of fact, it was suggested by the Department of Commerce, the Treasury, and the White House itself that this was an important piece of proposed legislation and should be placed on the agenda. The Senator from Maryland and I never once appeared before the Policy Committee urging that the bill be brought up. To listen to some of the conversation around the Chamber it might be thought that we had been directing our attention to getting this bill up. The reason why it was brought up was because the departments interested thought it was one of the bills the Senate should pass.

Mr. O'CONOR. Mr. President, will the Senator yield?

Mr. MAGNUSON. I yield to the Senator from Maryland.

Mr. O'CONOR. Does the Senator from Washington feel that any apology is necessary to bring before the Senate a proposed legislative enactment which is vitally necessary in the defense of the United States, after it has been discovered in the Korean crisis that the United States did not have sufficient ships with which to transport troops to Asia?

Mr. MAGNUSON. Of course no apology is necessary. As a matter of fact, it is the duty of the Senate to look into this question. It cost this Nation some \$37,000,000,000 to build a merchant marine to take care of 95 percent of all the tonnage moved in World War II. There have been some suggestions in and about the cloakrooms that this bill will cost the Government a great amount of money. It will not cost the Government a nickel. No authorization or appropriation is involved. It merely proposes a system whereby decent American citizens who want to be in the maritime industry will have some means with which to build ships. There are no ships being built on our ways at this time. Even in Delaware no cargo ships are being built. A few passenger vessels are being constructed. The last tanker went off the ways at Sparrows Point about 60 days ago, and here is this great Nation with not a single ship on the ways except passenger vessels. We are using World War II ships, which were built in a

hurry, and in about 2 years those vessels will become obsolete.

All we are asking is that the Senate consider a plan to the major features of which everyone has agreed. There may be some disagreements as to some of the minor details. The administration, the United States Navy, the American Legion, the Veterans of Foreign Wars, propeller clubs, all are interested in the matter.

Mr. JOHNSON of Colorado. Mr. President, will the Senator from Washington yield?

Mr. MAGNUSON. I yield.

Mr. JOHNSON of Colorado. There is no question that any Senator can offer a substitute measure and can propose to amend any bill before the Senate by offering a substitute, or by offering any number of amendments. I regret to say that I was called out of the Chamber and have not been able to follow the debate as closely as I should have liked, but I heard the Senator from Washington withdraw his supplemental report. I presume he is going to offer it again—

Mr. MAGNUSON. It is purely an explanation of the method we have proposed.

Mr. JOHNSON of Colorado. Important legislation ought not to be defeated on a technicality. If the report was not before the committee, of course, it does not have committee approval. The substitute which is to be offered, as I understand, is only for the purpose of meeting criticisms which had been lodged against Senate bill 241 from various sources.

Mr. MAGNUSON. That is correct.

Mr. JOHNSON of Colorado. Does the substitute vary greatly from the original bill?

Mr. MAGNUSON. It varies only to the extent that it modifies the original bill by eliminating a feature to which the Senator from Delaware objected, namely, accelerated depreciation, which allows the voluntary deposit of funds by any United States citizen. Other than that there is no difference between the two bills. That is one of the most important points upon which the Treasury Department and the Commerce Department have now come to an agreement.

As I have said, the bill has received long hearings. The amendment in the nature of a substitute which we intend to propose is not different in its major aspects from the bill on the calendar. As a matter of fact, I suppose it would be better for the Senator from Maryland and for me to proceed with the original bill. But we were trying to compromise the matter so we might get this very important legislation passed.

Mr. JOHNSON of Colorado. Of course, all legislation is brought about as a result of compromise. Legislation of this kind affects many departments. It affects a great many interests. It affects the views of Senators. We have to work out compromises and agreements. In order to get a bill through we have to satisfy at least the majority. If the substitute merely accomplishes that, I think it would be a great advantage to pass the substitute instead of the original bill. The only point is that there seems to be some feeling that there was

a reflection upon the committee over the way the matter was handled. That is, that the committee reported one bill, with a report thereon, and then we find another report that is supposed to come from the committee, which did not come from the committee. But the Senator from Washington has explained that by saying that that report was made in error, and he has withdrawn it.

The arguments, however, whatever they may be, ought to be good now; they ought to be sound, and if there is any opposition to the substitute it seems to me the opposition should be based upon the merits of the substitute and not upon any technical mishandling of the bill by the committee.

Our committee wants to do its duty, as I think all Members of the Senate realize. We want to meet our full responsibility in handling proposed legislation. We do not want to take shortcuts in any spirit of putting something over on anyone. I am sure the substitute was not framed with the idea of putting over anything on anyone or adopting any illegal or other methods of getting legislation before the Senate.

Mr. MAGNUSON. I will say to the chairman of the committee that the purpose was certainly the opposite of that. That is why we had this explanation printed a week ago. It was so that every Senator would know what we intended to propose as an amendment in the nature of a substitute.

Mr. JOHNSON of Colorado. I should like to ask the Senator in charge of the bill if he has received criticism of the substitute on its merits.

Mr. MAGNUSON. No. As a matter of fact, there is no objection to the basic parts of it. There are two amendments upon which everyone did not quite agree. But so far as I know there is no objection to the substitute bill from any quarter, either administrationwise, industrywise, laborwise, or from those who are familiar with maritime matters. I think the real criticism of the bill would come from other maritime countries that would like to have us sit idly by when they give benefits to their maritime industries so that they might enter into competition with us and run us off the seas.

Mr. JOHNSON of Colorado. Personally, as chairman of the committee, I want to protect the committee's integrity and the procedures before the committee in every way possible. Since the Senator from Washington has withdrawn the supplemental report on the substitute bill, I am unable to find any reason why I should oppose the submission of the substitute to the Senate for its approval or disapproval.

Mr. MAGNUSON. I thank the chairman of the committee. I will say that we were trying to be helpful by having the report printed as an explanation of the substitute amendment.

Madam President, I have no more to say about this matter. I hope the question of procedure is now cleared up. I will say that our only intention was to explain what we had in mind to propose as an amendment, and have it printed so everyone could read it. We could have

come to the floor of the Senate with amendments to be placed on Senators' desks and offered them hastily, but we did not want to do that.

I know that in the hearings the Senator from Maryland and I thought that these amendments were more or less a compromise toward the viewpoint of the Senator from Delaware. That is why we submitted them. That is why we went to all the trouble of asking for conferences with the departments downtown. We did not have to do that. Senate bill 241 was on the calendar. We could have gone ahead with the original bill. I do not know whether the Senate would have approved of it, but, at least, we could have proceeded with it. It was our original opinion that that was the best bill. The substitute is a modified S. 241. The only purpose in printing the report was so there would be an explanation of the substitute.

I do not know what would be accomplished by sending the bill back to the committee, in view of all the hearings we have had upon it. The only ones who would read it in the committee would be the Senator from Maryland [Mr. O'CONNOR], the Senator from Delaware [Mr. WILLIAMS], and I. The Senate has had a full week to look at the bill and decide what should be done with it. I hope the Senator from Delaware will withdraw his motion so we can proceed on the merits of the bill, and let the Senate vote it up or down, after the explanation which will be made of it.

Mr. WILLIAMS. Mr. President, I am not going to withdraw my motion, for the very simple reason that I think the Senate has the right to have the opinions of the different departments in writing rather than to receive them by word of mouth from Senators, particularly in view of the fact that there is a difference of opinion among Members of the Senate as to what the departments recommend. I am not on the floor necessarily defending the administration—the Senator knows that—but I want to be sure that the departments are in accord on this question.

The Senator from Washington has not answered my question. Perhaps he did, but I did not understand him to do so. The question was whether his proposed modification overcomes the objections of the Department of Commerce, the Treasury Department, and the Maritime Administration.

Mr. MAGNUSON. I can best answer the Senator from Delaware by placing in the RECORD a letter—

Mr. WILLIAMS. The Senator from Washington knows that I cannot read the letter he proposes to place in the RECORD until tomorrow. It is very easy to say whether the modification did or did not overcome the objections of the departments and the Maritime Administration.

Mr. MAGNUSON. I can read the letter to the Senate now. It is a letter from the Department of Commerce, and embodies the views expressed in the conferences between the Treasury Department, Admiral Dennison in the White House, who represents the President on

maritime matters, the Department of Commerce, and the Maritime Board. I am sure the Senator from Delaware has a copy of the letter. Copies were sent to all of us on July 30.

Mr. WILLIAMS. Mr. President, I have a copy of that letter, but the letter certainly does not endorse either the Magnuson proposal or Senate bill 241.

Mr. MAGNUSON. The Magnuson proposal is not before the Senate.

Mr. WILLIAMS. No, but the letter does not endorse that proposal, either.

Mr. MAGNUSON. I intend to propose some amendments.

Mr. WILLIAMS. Then to say that there is a measure before the Senate, or one that is proposed to be placed before the Senate, which overcomes the objections of the various departments, is certainly in error.

Mr. MAGNUSON. If the Senator from Delaware will read the letter and then read the amendments we intend to propose, he will find that the amendments follow the recommendations of the departments to the letter.

Mr. WILLIAMS. I have read all amendments that have been proposed and are on the desks of Senators, and they do not overcome the objections of the Senator from Delaware or of the departments. Neither does the substitute. The first part of the letter refers to striking out sections 1, 2, and 4, the purpose of which is to extend a subsidy to all merchant marine vessels, and so forth. They specifically recommended that action be deferred in that respect. The Senator's substitute does not recommend that. He does not have amendments printed to accomplish that purpose.

Mr. MAGNUSON. I must assume that the Senator from Delaware knows what amendments the Senator from Washington is going to propose. We merely suggested this as an amendment in the nature of a substitute. We may propose other amendments. I must repeat this over and over. With two exceptions, the substitute is much more in line with what the departments wanted than was the original bill.

Mr. WILLIAMS. We are now back to the position in which everyone admits that Senate bill 241, which is the pending business, is not acceptable to anyone except, perhaps, some members of the shipping industry. It is acceptable to neither the Commerce Department nor the Treasury Department. But the Senator from Washington claims that his substitute, along with some other amendments which he has in mind, but which the Senate has not had an opportunity to consider, will overcome the objections of everyone. I believe that the place to consider this bill now is before the committee, and let the committee work out the necessary amendments.

Mr. MAGNUSON. Madam President, I have the floor.

Mr. WILLIAMS. Just a moment.

Mr. MAGNUSON. I have the floor.

Mr. WILLIAMS. The Senator does not have the floor. I have the floor. I yielded to the Senator.

Mr. MAGNUSON. I thought I had the floor.

Mr. WILLIAMS. The Senator can have it. I am through.

Mr. MAGNUSON. I merely wished—

Mr. WILLIAMS. Madam President, will the Chair advise us which Senator is supposed to have the floor?

The PRESIDING OFFICER (Mrs. SMITH of Maine in the chair). The Senator from Washington has the floor.

Mr. MAGNUSON. I merely wished to say to the Senator from Delaware that we are not compelled to follow every recommendation of the departments. We pass many bills which are not recommended by the departments. However, I may say that, as a result of the conferences, which are referred to in the letter embodying the recommendations of the Department of Commerce and the Maritime Administration, we have reluctantly agreed to submit certain amendments which were more in line with the viewpoint of the Senator from Delaware and the Treasury Department. I do not say that we must follow them word for word.

The Senator from Delaware would not want to frame a bill exactly as the Department wanted it, merely because the Department wrote a letter. We have our own ideas on this question. The Senator from Delaware has had about a week to consider this subject. In my opinion the amendments represent the composite views of the administration. I do not believe that the Treasury or the Commerce Department agreed on every single phase of the bill. However, the recommendations represent pretty much the composite views. If the amendment should be agreed to, the proposed legislation would be somewhat modified.

Mr. CASE. Madam President, will the Senator yield?

Mr. MAGNUSON. I yield.

Mr. CASE. The junior Senator from South Dakota has been endeavoring to follow the line of argument. I am a little perplexed when I read the letter of the Acting Secretary of Commerce, to find that, with respect to section 1 of Senate bill 241, it is stated that—

Under present circumstances of mobilization and the materials controls incident thereto, it appears highly improbable that any construction would develop out of this section in the near future. It is accordingly recommended that consideration of this section be deferred until the international and national economic situations have become more stable.

Along with that, the deferment of sections 2 and 4 is suggested. Then the substitute bill comes along and incorporates the provisions of sections 1, 2, and 4, as in the original bill. Why does the Senator say that the substitute follows the recommendations of the Department?

Mr. MAGNUSON. I say that the recommendations represent the composite views of all the departments. It was not the Commerce Department alone, nor the Treasury Department alone, but those handling maritime affairs in the

administration, who suggested the deferment of sections 1, 2, and 4. The various sections complement one another. The recommendations do not suggest that there is anything wrong with the program, but point out that while it probably ought to be done, it is not thought that it should be done at this time.

The Senator from Maryland [Mr. O'CONOR] and I believe that there will be some shipbuilding done, and we should like to present to the Senate the proposition that it should be done at this time. If the Senator will read the letter setting forth the composite views, he will find that the departments do not think the program is necessary at this time. They are not opposed to the principle which is embodied in sections 1, 2, and 4. We wish to present that question to the Senate. As I say, we do not necessarily have to follow what the departments say on the subject. In this case they had no opposition to the amendment as such. They simply said, in effect, "Perhaps we do not need to use it at this time." We have left it in so that the Senate may take a look at it. I understand that in the conferences there was no objection to that procedure. As I have stated, sections 1, 2, and 4 complement one another. If one goes out, they should all go out, or if one remains in, they should all remain in.

The PRESIDING OFFICER. The question is on agreeing to the motion of the Senator from Delaware [Mr. WILLIAMS] to recommit the bill to the Committee on Interstate and Foreign Commerce.

Mr. WILLIAMS. I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk called the roll, and the following Senators answered to their names:

Bennett	Hayden	McFarland
Benton	Hendrickson	McKellar
Bricker	Hickenlooper	McMahon
Butler, Md.	Hill	Millikin
Butler, Nebr.	Hoey	Moody
Byrd	Holland	Mundt
Cain	Humphrey	Nixon
Capehart	Hunt	O'Connor
Carlson	Ives	O'Mahoney
Case	Jenner	Robertson
Chavez	Johnson, Colo.	Russell
Clements	Johnson, Tex.	Saltonstall
Connally	Johnston, S. C.	Schoeppel
Cordon	Kefauver	Smathers
Dirksen	Kem	Smith, Maine
Douglas	Kerr	Smith, N. J.
Duff	Kilgore	Smith, N. C.
Dworshak	Langer	Sparkman
Eastland	Lehman	Stennis
Eaton	Lodge	Thye
Ellender	Long	Underwood
Ferguson	Magnuson	Watkins
Flanders	Malone	Welker
Frear	Martin	Wherry
Fulbright	Maybank	Wiley
George	McCarran	Williams
Gillette	McCarthy	
Green	McClellan	

The PRESIDING OFFICER. A quorum is present.

The question is on agreeing to the motion of the Senator from Delaware [Mr. WILLIAMS] to recommit S. 241.

Mr. WILLIAMS and other Senators requested the yeas and nays.

The yeas and nays were ordered.

Mr. WILLIAMS. Madam President, I shall not delay the Senate but I do want the record straight as to the prospective cost. I refer to a brief statement on page 3 of the supplemental report, which reads:

In a current study made by the Federal Maritime Board, the cost of replacing the 262 vessels now operated by the subsidized lines is estimated to be approximately \$1,540,655,150. * * * These ships comprise only one-fifth of the privately owned fleet. The costs of replacing the other four-fifths will be comparable.

Madam President, this represents the cost to the shipping companies, not to the Government. I checked with the Maritime Board and I am informed that on the average the cost to the Government is about 30 percent of the cost of the ships. Therefore they said the total cost of these 262 ships would be about \$2,250,000,000, of which the cost to the Government would be \$660,000,000, with the shipping companies paying the remainder, or \$1,500,000,000.

Under the pending bill it is proposed to extend the construction subsidy to every phase of the merchant marine under the American flag, including tramp ships. It is pointed out that the 262 ships comprise about one-fifth of our fleet. If the extension is made across the board the cost would be about five times the amount I have mentioned, which would bring the cost of the construction subsidies under this bill to about \$3,300,000,000.

I was talking a few minutes ago with the Maritime Board, and they told me they thought the committee estimate was slightly high, in that the 262 vessels were the largest type of ships we have, and that the cost of the other ships would be somewhat lower. A rough estimate of the construction subsidy cost phase of the pending bill is between two and a half and three billion dollars over the period of the next 15 years.

The finance committee is meeting in another room this afternoon trying to write a tax bill which will raise seven or eight billion dollars. The American people should know, and Senators should know, that it is unnecessary expenditures such as this that makes this tax increase mandatory. I hope Senators who are so enthusiastic about turning this extra money over to the shipping industry, an industry which is charging the American Government today from two to three times as much for transporting freight across the ocean as they did before the Korean war broke out, will explain today's vote to their constituents.

Mr. MAGNUSON obtained the floor.

Mr. ELLENDER. Madam President, will the Senator yield to me for an insertion?

Mr. MAGNUSON. I yield.

Mr. ELLENDER. During the past few days I have received a few telegrams in support of the pending measure. I shall not take the time of the Senate to read the telegrams now, but I ask unanimous consent that they may be printed at this point in the RECORD.

There being no objection, the telegrams were ordered to be printed in the RECORD, as follows:

NEW ORLEANS, LA., August 14, 1951.

HON. ALLEN J. ELLENDER,
Senate Office Building,
Washington, D. C.:

Concerning bill S. 241, the so-called long-range amendments to the Merchant Marine Act which we understand will come before the Senate tomorrow afternoon or Thursday, this company has gone on record as favoring this legislation with the exception that we desire the continuance of the existing deferment of corporate surtaxes on funds deposited in the capital and special reserve funds. This deferment we understand will be embodied in one of the amendments which will be offered by Senator MAGNUSON from the floor. We hope you will support this amendment. Senator MAGNUSON will also offer several additional amendments in which we have no direct interest but to which we offer no objection.

THEODORE BRENT,
President, Mississippi Shipping Co.

NEW ORLEANS, LA., August 16, 1951.

HON. ALLEN J. ELLENDER,
United States Senate:

Information reaches us that long-range merchant marine bill, S. 241, with Magnuson amendment is expected to be called up immediately. Recalling our recent exchange and your indicated sympathetic interest in this bill, we would like to reiterate that the legislation committee and board of directors urge passing of this legislation, feeling that your assistance may be counted on.

TOM BURKE,
President, Propeller Club of the
United States, Port of New
Orleans.

NEW ORLEANS, LA., August 17, 1951.

HON. ALLEN J. ELLENDER,
United States Senator,
Senate Office Building:

Urge favorable consideration Magnuson amendments and Senate bill 241, which will help strengthen American merchant marine.

E. H. LOCKENBERG,
Port of New Orleans.

INDIANAPOLIS, IND., August 18, 1951.

Senator ALLEN J. ELLENDER,
Washington, D. C.:

The American Legion earnestly solicits your support to the early and affirmative action on long-range shipping bill, S. 241, in the interest of our national defense.

ERLE COCKE, Jr.,
National Commander.

Mr. MAGNUSON. Madam President, I do not wish to belabor the Senate in regard to this matter. However, I cannot remain silent while statements which I consider wholly inaccurate are made in regard to the pending measure.

I cannot understand how anyone who reads the report of the departments and agencies on the proposed legislation and who reads the hearings can arrive at the conclusions which some Senators have stated.

Madam President, in the first place, I hope the Senate will understand that this is not a subsidy measure. The merchant marine subsidies are taken care of by the 1936 act. Construction subsidies are provided for in that act, which is a part of the law today in regard to our merchant marine. It is a wise law, and has worked well. No one has

any intention of amending the major portions of it, for in 1936 the Congress wisely decided that we should have a merchant marine, and Congress passed the 1936 act, providing for subsidies.

When we are confronted with hearts that bleed about the merchant marine, let me repeat that those subsidies have kept our merchant marine alive. Our merchant marine is a fourth arm of our defense. Because we did not keep our merchant marine alive between World War I and World War II, it cost us \$37,000,000,000 to resurrect it during World War II and to build it up to such an extent that it carried 95.6 percent of all the tonnage carried on the ocean in World War II. Certainly our merchant marine is as much a part of our armed forces as are the Army, the Navy, the Marine Corps, and the Air Corps.

The entire subsidies for the merchant marine now cost us less than the subsidies for cheese, peanuts, and other agricultural commodities. Of course, the agricultural subsidies are important; I am not opposed to them.

However, I point out that this measure does not provide for subsidies; this measure makes no provision of an appropriation or an authorization of an appropriation. Therefore, how any Senator can arrive at the conclusion that this measure calls for appropriations for subsidies, I cannot understand.

In the first place, the payments called for in this measure are to be paid out of the profits of any person or concern entering the maritime business, whether on a subsidized or nonsubsidized basis. The bill allows such operations by any American citizen, whether as a subsidized line, an unsubsidized line, or any other line, including lake carriers. Of course, during World War II virtually all the American ships on the Great Lakes were taken off the lakes and were used for ocean transport, and thus far it has not been possible to replace those ships, with the result that the Congress has had to pass laws to permit Canadian vessels to carry our cargoes on the Great Lakes.

Madam President, this measure would only allow an operator to make deposits of his profits, as a fund subject to tax deferment for a period of time, but subject to excess-profits taxes. If the operator wishes to build new, modern ships, he can withdraw for that purpose from that fund. If he does not use the fund in that way, it will be taxed in the same way that any other fund is subject to corporate taxes and other taxes. Only profits are involved.

That is all this measure will do. It does not provide any appropriation, any subsidy, or any authorization of an appropriation. The reason why this measure should be enacted is obvious.

Mr. SALTONSTALL. Madam President, will the Senator yield?

Mr. MAGNUSON. I will yield in a moment. The present law allows subsidized lines, lake carriers, or anyone else who desires to do so, to make deposits in this reserve fund. It really costs nothing. The only possible cost one could imagine would be in the event one would look into the future and conclude that,

because someone puts money into a fund, which money is not subject to the so-called surtax while it is in the fund, the Treasury might lose the amount of the tax while the money was in the fund. But when the money was withdrawn by the depositor the Treasury would get back what it had lost.

I may say that in the case of an average 10,000-ton ship over \$1,200,000 is paid into the Treasury for its life of 12 years. The object of the bill is to keep business going. It does not provide for a subsidy. It has nothing to do with subsidies. It does not cost anything, except insofar as the funds are tax deferred—not tax exempt, but tax deferred.

Every other country in the world with which we are competing in the maritime business goes twice 10 times as far as is proposed. All we are trying to do is to prevent some block obsolescence in the matter of maritime ships, which would all go out of commission in the same year; and we are not building a ship in this country. All we are doing is to give the Administration an opportunity to create a reserve fund, and to build some ships, and to keep our shipyards alive. If an emergency should arise, we could use them, and their value would be 10 times what is to be spent.

I do not know how anyone could rise on the floor of the Senate to talk about subsidies in this connection. The bill has nothing to do with a subsidy. What is proposed will not cost billions of dollars. On the contrary, we will be called upon to pay billions of dollars if we do not keep our merchant marine alive. We are not giving the merchant marine one-half the consideration it is given by every competing country. I could read into the RECORD a Price-Waterhouse report, showing that every maritime country in the world does things of this sort for its shipping. Not only that, but they actually give ship owners money with which to build and operate ships, and they turn ships over to them free of charge.

I think it is high time that the Senate decide whether we want a merchant marine. If we are to answer that question in the affirmative, then we must do certain things in order to keep it alive and to keep it strong. If we do not want a merchant marine, let us say so, and we shall then be through with this whole business. We now pay subsidies under the 1936 act. We have a construction subsidy now, Madam President.

This bill does not give any construction subsidies. All it does is to allow the operator to deposit money in a reserve fund in the Treasury, and with the Maritime Board. For a period of time, that fund is tax-deferred, if the depositor ultimately uses it for the purpose of building ships. It is subject to excess profits taxes when it goes into the fund, and, if not used for the intended purpose, of course, it becomes subject to tax as of the time it was deposited. That is all the bill does; so why all this hullabaloo about it?

We have discussed this question for 6 months. The Senator from Maryland and I thought we were being helpful by furnishing an explanation of what we intended to propose as a substitute.

Mr. SALTONSTALL. Mr. President, will the Senator yield?

Mr. MAGNUSON. I yield.

Mr. SALTONSTALL. Coming, as I do, from a State which builds ships, I should like to know if I am correct in understanding the Senator to say that this bill does not extend subsidies for construction purposes, and that it does not extend subsidies for operation, but that what it does is to permit the building up of a certain reserve which is not subject to taxes if the operator puts aside a certain amount of his profit into it in order that he may build a ship, but if he does not build the ship, the reserve he has built up then becomes subject to taxes?

Mr. MAGNUSON. The reserve represents the profits he has made. It has nothing to do with either construction or operational subsidies. They come under the 1936 act, which is now the law.

Mr. SALTONSTALL. I have received certain information, and what I desire to do is to check it. This is a very complicated bill.

Mr. MAGNUSON. It is a very complicated bill, I agree.

Mr. SALTONSTALL. Does this bill propose to extend operating subsidies for a new type of ship? The Senator and I discussed that question, in connection with the appropriation bill, as to the number of voyages, and so forth and so on.

Mr. MAGNUSON. No; it has nothing to do with that. These ships would not be in the nature of replacements. Of course, the real problem here, I may say to the Senator from Massachusetts, is this: We had to build a great number of ships in World War II, and, as a consequence, though I do not know the exact percentage, I would say from 80 to 85 percent of our merchant marine is made up of ships which were built during World War II. The normal useful period in the life of a ship is from 12 to 15 years. Within approximately 5 or 6 years all of them will reach what we call "block obsolescence." All of them will be gone. We are trying to stimulate construction.

Perhaps no one will make deposits in the reserve funds. We heard the testimony of 87 operators, many of whom testified that, if we passed legislation something like this, they would build ships. All of them testified that if something were not done, they did not expect to be building ships; they had no plans whatever for building ships. One or two of the companies said they wanted to build ships. But the construction subsidies, under the present law, have nothing to do with this proposal.

Mr. SALTONSTALL. Will the Senator yield for one or two further questions?

Mr. MAGNUSON. I yield.

Mr. SALTONSTALL. Do the so-called tramp steamers, which are not within the

terms of the 1936 law, come within the terms of this bill?

Mr. MAGNUSON. They do not come within its terms, at all. That is changed. "Tramps" are not included in this bill at all.

Mr. SALTONSTALL. So it does not change the 1936 law, as to where ships must go, in order to come within the law?

Mr. MAGNUSON. Not at all. It only extends to any ship operator, if he wishes to take advantage of it, the right of making a deposit in the reserve fund. If a "tramp" operator wanted to continue "tramp" operation and build a new ship, he could then take advantage of it by depositing in the reserve fund for the building of a new ship. It has nothing whatever to do with the subsidies paid today. It has nothing whatever to do with constructional subsidies, which are now included in the 1936 act, but it applies only to someone who wants to build a ship; as, for example, the American Export Co. in building the *Independence* and the *Constitution*.

Mr. SALTONSTALL. Mr. President, will the Senator yield?

Mr. MAGNUSON. I yield.

Mr. SALTONSTALL. Then, do I correctly understand the Senator that this bill allows a certain tax delay or deference?

Mr. MAGNUSON. It allows a tax deferment.

Mr. SALTONSTALL. If that deferment is used to build ships, then, of course, there would be an additional capital subsidy, or shipbuilding subsidy, for the new ship which was built with the taxpayers' money, or with Government money. Is that correct?

Mr. MAGNUSON. To the extent that the surtax would not be collected by the Treasury, if the operator built the ship; but, in my opinion, and in the opinion of the Senator from Maryland, and in the opinion of such experts as Price-Waterhouse, the tax return on the recapture of profits would more than bring that money back. We do not know how many will take advantage of it. There may not be anything in the fund.

Mr. SALTONSTALL. So that, theoretically, at least, from the ship operator's point of view, or from the point of view of the cost to the Government, it may cost the Government the amount of deferred taxes which go into the reserve, plus the additional capital subsidy it may have put into a new ship. Is that correct?

Mr. MAGNUSON. That is correct; but that has to be done anyway.

Mr. SALTONSTALL. How about an operating subsidy?

Mr. MAGNUSON. It has nothing to do with that.

Mr. SALTONSTALL. Will there not be some ships which will receive operating subsidies if the act is put into broad use?

Mr. MAGNUSON. No. The ships would, of necessity, be replacements, because we are running into block obsolescence. There are no plans to add more ships to our merchant marine. In normal times, I think, the tendency will be for our merchant marine probably to

get down to even a smaller number of ships than the number now operating, because I think we are a little bit high, due to the tonnage.

Mr. SALTONSTALL. So that so far as the Senator from Washington can say, the only additional cost to the Government will be the tax deferment, and the possible additional amount that would go into a ship subsidy. Those figures cannot be estimated at all. Is that a correct statement?

Mr. MAGNUSON. That is correct. There would not be any additional subsidies, because one has to make application, and the voyages are limited now. The cost would be only to the extent of surtaxes on profits which would be deferred only if the fund were used.

Mr. SALTONSTALL. Does the Senator believe that this very complicated bill, which is extremely difficult to understand, accomplishes the simple objective which the Senator has stated?

Mr. MAGNUSON. I will say to the Senator from Massachusetts that it is a very technical and complicated bill. We have had it gone over by as many experts as we know on all sides of the question, from the Treasury to the Maritime Board, and our own legislative staff, including lawyers. Even the CIO Maritime Union labor lawyers looked it over, and they say it would best accomplish the simple purpose. It is not a new matter. It is something which shipping people have long sought. It has been under consideration for three long years. The Senator from Maryland and I were hoping that this would be a compromise which would be satisfactory to everyone.

Mr. DOUGLAS. Mr. President, will the Senator yield?

Mr. MAGNUSON. I yield.

Mr. DOUGLAS. I appreciate the interest and concern of my good friend from Washington in this matter. I must say, however, that I was somewhat surprised when he said the bill did not involve a construction subsidy, when, in lines 5 to 7, on the first page of the bill, there is this provision:

Any citizen of the United States may make application to the Commission for a construction-differential subsidy to aid in the construction of a new vessel to be used in the foreign commerce of the United States.

In the supplementary report, explaining the substitute bill, which I realize is not a committee report, on page 2, we find this language:

Sections 1, 2, and 4, making construction differential subsidies available to all vessels engaged in the foreign trade and commerce of the United States without regard to the existing requirements as to essentiality of service, route, or line to be served by the vessel.

Similar language may be found in the committee report, on page 4.

It would seem to me that in view of the provision in the bill and that statements in the supplemental report, it does distinctly widen the class of vessels for which construction differential subsidies may be paid.

I should like to ask my good friend from Washington if my understanding is correct, namely, that under existing law, construction subsidies are paid only

if the vessel goes into foreign trade or on an approved route, and has a given schedule of service which is determined essential by the Maritime Administration or Board.

Mr. MAGNUSON. That is correct.

Mr. DOUGLAS. Whereas the provision in the pending bill would extend the subsidy to all vessels constructed for foreign trade, whether or not they have a given route or a given schedule of service.

Mr. MAGNUSON. That is correct. It would extend the possibility of anyone who wanted to build a ship taking advantage of the law.

Mr. DOUGLAS. But it extends the area of the subsidy over a wider category of ships?

Mr. MAGNUSON. Yes.

Mr. DOUGLAS. Am I not also correct in my understanding that of the approximately 850 American ships now engaged in foreign trade, only about 248 are on essential trade routes and have, therefore, been eligible for the construction subsidy; that approximately 600 of the 850 are nonscheduled, and that if there is the same distribution between the essential lines and the nonessential lines in the future, that exists now, it would more than triple the number of ships for which subsidies could be paid?

Mr. MAGNUSON. No; the Senator is not correct in that statement. One must make application. There are many applications pending in the Maritime Board. Some of the lines, such as the United States Lines, have had applications pending for subsidizing certain other sections of their routes. They would have to apply for the protection of the 1936 act. That is controlled, of course, by the amount of appropriations which Congress makes to the Maritime Administration to carry out the purposes of the 1936 act.

A conference report was agreed to a few days ago which not only limited the present number of subsidized voyages, but cut them down to 307, so that there is a freeze. Under this bill, if someone wanted to build a new ship to operate on either unsubsidized or subsidized trade routes—it would have to be an essential trade route, because the application would not be considered otherwise—he could, if he had deposited money in the reserve fund, ask to be placed under the 1936 act. There would have to be a hearing before the Board.

Mr. DOUGLAS. That would apply only to ships which travel essential routes, whereas this bill would extend to all ships in foreign trade regardless of essentiality of service, would it not?

Mr. MAGNUSON. No; it would extend the right to deposit in the reserve fund, but it would not change the present law in other respects.

Mr. ROBERTSON. Mr. President, will the Senator yield?

Mr. MAGNUSON. I yield.

Mr. ROBERTSON. I understood the Senator from Washington to say that we cannot fight a world war without a merchant marine. In World War II the Government had to pay how much?

Mr. MAGNUSON. It paid \$37,000,000,000.

Mr. ROBERTSON. And if we have another world war the Government will have to do the same thing, unless we have a plan to take care of the situation. What agencies have indorsed the Senator's plan?

Mr. MAGNUSON. All the agencies involved, such as the Maritime Administration, the Department of Commerce, and so forth. We had a conference with the Treasury Department, and I have presented for the RECORD a letter which combines the views of the different agencies.

Mr. ROBERTSON. Did the Government call the different agencies together and get them to agree to the amendments which the Senator has offered, and to indorse them?

Mr. MAGNUSON. I have not offered any amendments at all.

Mr. ROBERTSON. I thought the Senator had offered a substitute.

Mr. MAGNUSON. It is lying on the desk.

Mr. ROBERTSON. Does the Senator plan to offer it?

Mr. MAGNUSON. Yes.

Mr. ROBERTSON. I understand the Senator's amendments are more restrictive than is the bill which the committee unanimously reported.

Mr. MAGNUSON. It was not unanimously reported.

Mr. WILLIAMS. Mr. President, will the Senator yield?

Mr. MAGNUSON. I yield.

Mr. WILLIAMS. With reference to differential subsidies, I invite attention to a letter signed by Thomas W. Davis, Acting Secretary of Commerce, which was made apart of the committee report. I read:

The intent of section 1 of the bill as introduced is to extend the eligibility for construction-differential subsidy under title V, Merchant Marine Act, 1936—

Mr. MAGNUSON. Is the Senator from Delaware asking me a question?

Mr. WILLIAMS. I am merely trying to set the Senator straight.

Mr. MAGNUSON. I think the Senator ought to set himself straight.

Mr. WILLIAMS. Mr. President—

Mr. MAGNUSON. I have the floor. I told the Senator from Illinois and the Senator from Delaware who was present and listening, that the measure extended the right to ask for construction subsidies, and if the Senator will underline the word "eligibility" he will be correct, and we will both be correct. It is true it extends the right of operators in the shipping business who are not now subsidized, including some of our largest concerns, such as the shipping line which runs out of New Orleans, to ask for construction subsidies if they build up their deposit in the reserve fund. But before the Maritime Board will grant such a subsidy the maritime interests must live up to the potentialities of trade routes. There is no question about the fact that the measure does extend the eligibility. That, of course, is one of the things which might achieve the building up a modern merchant marine, which is not now being built up at all.

Mr. DOUGLAS. Mr. President, will the Senator yield?

Mr. MAGNUSON. I yield.

Mr. DOUGLAS. If this right to receive a subsidy—

Mr. MAGNUSON. "Eligibility" is a better word.

Mr. DOUGLAS. If the eligibility is extended to a still larger number of ships, and I assume that the Maritime Board would have the authority to grant subsidy contracts to those eligible to apply, it would be expected that a larger number of ships would take advantage of the subsidy, and that the cost of the construction subsidy to the taxpayers would increase.

Mr. MAGNUSON. Subsidized lines have the right to do so now, and they have not taken advantage of it, because they have not been able to build up any reserve fund.

Mr. DOUGLAS. I should like to point out that Mr. Davis, Acting Secretary of Commerce, in his letter wrote as follows:

Actually today, of some 842 privately owned or privately operated passenger and dry-cargo ships under the American flag, only 248 are approved as eligible for operating-differential subsidy.

That is only a little more than a quarter of the total; about 30 percent of the total.

Mr. MAGNUSON. That is shipwise, not tonnage-wise.

Mr. DOUGLAS. I understand. Under the pending measure all the 842 ships would have been eligible had they been constructed in this period, and assuming that this is a fair distribution for the future, it would seem that many more ships would be eligible to be brought in for subsidies—I suppose chiefly tankers and tramp freighters.

Mr. MAGNUSON. For construction.

Mr. DOUGLAS. Yes, I understand.

Mr. MAGNUSON. That would be a new, modern ship, say a 10,000-ton ship which, during its lifetime would bring in more than \$1,200,000 in taxes. Many of those who now operate tankers will not take advantage of this provision for the simple reason that they desire to build their own ships so they may have freedom of movement, flagwise or otherwise. The Standard Oil Co. builds its own tankers. It has the largest fleet of tankers in operation in America. They could take advantage of construction subsidy if they wanted to deposit in the fund and build new ships. To do so they would have to live up to the standards of the Maritime Board, and whether such a subsidy would be granted or not would be up to the Board. I hope many operators will take advantage of the subsidy. The purpose of the bill is to build up our merchant marine. I think it is better to have the subsidy open to everyone than only to the subsidized lines, because to limit it to those lines tends to create some form of monopoly.

Mr. DOUGLAS. Mr. President, will the Senator yield for another question?

Mr. MAGNUSON. Yes.

Mr. DOUGLAS. Is it not also true that the tax exemption or tax privileges which are given to subsidized operators

under present law, and which are proposed to be extended to nonsubsidized operators under S. 241, as reported by the committee—

Mr. MAGNUSON. Deferments.

Mr. DOUGLAS. Deferments—are not merely on the ordinary corporation income tax, but also apply to all excess profits?

Mr. MAGNUSON. Under existing law, and under S. 241, excess profits taxes are deferred. They would not be under my substitute. There is no excess profits tax.

Mr. DOUGLAS. I mean that is applied to the cost of the ship?

Mr. MAGNUSON. No, under my substitute amendment the excess profits payment is taken by the Treasury when the amount is deposited.

Mr. DOUGLAS. So under the substitute the deferment applies simply to the corporate income tax?

Mr. MAGNUSON. For the deferment, yes. I will say to the Senator from Illinois that was not in the original bill, but is in the amendment we intended to propose.

Mr. DOUGLAS. I understand. It was not in the copy I read.

Mr. MAGNUSON. I will say to the Senator from Illinois the only disagreement we had with the Treasury Department respecting the original bill was on two matters, which are very simple. The original bill contained an accelerated depreciation provision. Some of us thought the Treasury opposed that. They said a ship could be depreciated too fast. I thought it was just the reverse, because once a man depreciates a piece of property, and he cannot depreciate it again, it is subject to tax. So we cut all that out.

The second point was as to whether, when a ship is depreciated, it shall be subject to both surtax and excess-profits tax. That disagreement was ironed out. The Treasury would still like to have it subject to both surtax and excess-profits tax, but all the testimony we had in the hearings was to the effect that if ships were subject to both surtax and excess-profits tax, no one would deposit in the surplus fund at all. The operators might as well deposit their money in the bank.

I also wish to point out that the measure is a very mild proposal to stimulate ship construction compared to what our competitors throughout the world are doing for their maritime.

Mr. DOUGLAS. Mr. President, will the Senator yield for one more question?

Mr. MAGNUSON. Yes.

Mr. DOUGLAS. Where is there any provision in the amendment that the companies must have deposits in the reserve fund in order to be eligible for the subsidy? Is that provision anywhere in existing law or in the proposed legislation?

Mr. MAGNUSON. That is the provision of present law. The companies would not have to deposit, but they would not be able to build ships unless they had money in the reserve fund, because even the construction subsidy is not enough to build the ship. They would have to

have considerable money in the reserve fund to build a ship.

Mr. DOUGLAS. What percentage?

Mr. MAGNUSON. The percentage varies with the type of ship. I do not have the figures, but can get them for the Record. They have been comparatively small since World War II for the simple reason that we have not built many ships. The percentage in the case of the three large passenger ships—the *Independence*, the *Constitution*, and the *United States*—now under construction runs about 50-50, but that was due to the fact that in all three cases the Department of Defense, through the Maritime Board, required those ships to be built to comply with certain defense specifications, such as dual propellers, gun mounts, and so forth.

Mr. DOUGLAS. Is the reserve deposit a statutory requirement or is such a deposit made at the discretion of the Maritime Administration?

Mr. MAGNUSON. It is statutory as to certain lines, but it can be voluntary as to others.

The PRESIDING OFFICER (Mr. SMATHERS in the chair). The question is on the motion of the Senator from Delaware [Mr. WILLIAMS] to recommit. The yeas and nays have been ordered, and the clerk will call the roll.

Mr. WILLIAMS. I suggest the absence of a quorum.

Mr. LANGER. Mr. President, I raise the point of order that no business has been transacted since the last quorum call.

The PRESIDING OFFICER. The yeas and nays have been ordered on the pending question since the last roll call, which constitutes business. The Chair, therefore, overrules the point of order. The clerk will call the roll.

The legislative clerk called the roll, and the following Senators answered to their names:

Bennett	Hayden	McClellan
Benton	Hendrickson	McFarland
Bricker	Hickenlooper	McKellar
Butler, Md.	Hill	McMahon
Butler, Nebr.	Hoyer	Millikin
Byrd	Holland	Moody
Cain	Humphrey	Mundt
Capehart	Hunt	Nixon
Carlson	Ives	O'Connor
Case	Jenner	O'Mahoney
Chavez	Johnson, Colo.	Robertson
Connally	Johnson, Tex.	Russell
Cordon	Johnston, S. C.	Saltonstall
Dirksen	Kefauver	Schoeppel
Douglas	Kem	Smathers
Duff	Kerr	Smith, Maine
Dworshak	Kilgore	Smith, N. J.
Eastland	Langer	Smith, N. C.
Eaton	Lehman	Sparkman
Ellender	Lodge	Stennis
Ferguson	Long	Thye
Flanders	Magnuson	Underwood
Frear	Malone	Watkins
Fulbright	Martin	Welker
George	Maybank	Wherry
Gillette	McCarran	Wiley
Green	McCarthy	Williams

The VICE PRESIDENT. A quorum is present.

The question is on agreeing to the motion of the Senator from Delaware [Mr. WILLIAMS] to recommit Senate bill 241 to the Committee on Interstate and Foreign Commerce. On this question the yeas and nays have been ordered, and the Secretary will call the roll.

The legislative clerk called the roll.

Mr. JOHNSON of Texas. I announce that the Senator from New Mexico [Mr. ANDERSON] is absent by leave of the Senate.

The Senator from Kentucky [Mr. CLEMENTS] is unavoidably absent on official business at one of the Government departments.

The Senator from Missouri [Mr. HENNINGSON], the Senator from Oklahoma [Mr. MONRONEY], the Senator from Montana [Mr. MURRAY], the Senator from West Virginia [Mr. NEELY], and the Senator from Rhode Island [Mr. PASTORE] are absent on official business.

Mr. SALTONSTALL. I announce that the Senator from Vermont [Mr. AIKEN] and the Senator from North Dakota [Mr. YOUNG] are absent by leave of the Senate.

The Senator from Maine [Mr. BREWSTER] is absent on official business.

The Senator from New Hampshire [Mr. BRIDGES], the Senator from California [Mr. KNOWLAND], and the Senator from Ohio [Mr. TAFT] are necessarily absent.

The Senator from Oregon [Mr. MORSE] and the Senator from New Hampshire [Mr. TOBEY] are absent because of illness.

On this vote the Senator from Vermont [Mr. AIKEN] is paired with the Senator from Maine [Mr. BREWSTER]. If present and voting, the Senator from Vermont would vote "yea" and the Senator from Maine would vote "nay."

The result was announced—yeas 34, nays 47, as follows:

YEAS—34

Bennett	Ferguson	Millikin
Benton	Flanders	Mundt
Butler, Nebr.	Frear	Schoeppel
Byrd	Fulbright	Smith, N. J.
Capehart	George	Stennis
Carlson	Hendrickson	Watkins
Case	Hickenlooper	Welker
Dirksen	Jenner	Wherry
Douglas	Kem	Wiley
Duff	Langer	Williams
Dworshak	Martin	
Eastland	McCarthy	

NAYS—47

Bricker	Ives	McKellar
Butler, Md.	Johnson, Colo.	McMahon
Cain	Johnson, Tex.	Moody
Chavez	Johnston, S. C.	Nixon
Connally	Kefauver	O'Connor
Cordon	Kerr	O'Mahoney
Eaton	Kilgore	Robertson
Ellender	Lehman	Russell
Gillette	Lodge	Saltonstall
Green	Long	Smathers
Hayden	Magnuson	Smith, Maine
Hill	Malone	Smith, N. C.
Hoyer	Maybank	Sparkman
Holland	McCarran	Thye
Humphrey	McClellan	Underwood
Hunt	McFarland	

NOT VOTING—15

Aiken	Hennings	Neely
Anderson	Knowland	Pastore
Brewster	Monroney	Taft
Bridges	Morse	Tobey
Clements	Murray	Young

So Mr. WILLIAMS' motion to recommit was rejected.

MESSAGE FROM THE HOUSE

A message from the House of Representatives, by Mr. Maurer, one of its reading clerks, announced that the House had passed, without amendment, the following bills of the Senate:

S. 61. An act for the relief of Sister Carmen Teva Ramos;

S. 100. An act to record the lawful admission for permanent residence of certain aliens;

S. 289. An act for the relief of Arno Edwin Kolm;

S. 518. An act for the relief of Dr. Isaac C. Goldstein;

S. 530. An act for the relief of Gerhard H. A. Anton Bebr;

S. 630. An act to suspend until August 15, 1951, the application of certain Federal laws with respect to an attorney employed by the Senate Committee on Labor and Public Welfare;

S. 652. An act for the relief of Ruth Alice Crawshaw;

S. 818. An act to authorize the sale of certain allotted land on the Crow Reservation, Mont.;

S. 827. An act for the relief of Fred P. Hines;

S. 930. An act for the relief of Ivan Herben, his wife, son, and daughter-in-law;

S. 1033. An act authorizing the Secretary of the Interior to issue a patent in fee to Lucille Ellea Sanders Groh;

S. 1034. An act authorizing the Secretary of the Interior to issue a patent in fee to Julia Jackson Sanders;

S. 1036. An act authorizing the Secretary of the Interior to issue a patent in fee to Julia Jackson Sanders;

S. 1220. An act to authorize the appointment of Bernt Balchen as a permanent colonel in the Regular Air Force;

S. 1242. An act for the relief of Salomon Henri Laifer;

S. 1474. An act for the relief of E. C. Browder and Charles Keylon; and

S. 1503. An act for the relief of Harold Frederick D. Wolfgramm.

The message also announced that the House had agreed to the report of the committee of conference on the disagreeing votes of the two Houses on the amendment of the Senate to the bill (H. R. 1103) for the relief of Sidney Young Hughes.

The message further announced that the House had agreed to the amendments of the Senate to the bill (H. R. 1199) to amend section 12 of the Missing Persons Act, as amended, relating to travel by dependents and transportation of household and personal effects.

The message also announced that the House had passed a joint resolution (H. J. Res. 320) amending an act making temporary appropriations for the fiscal year 1952, and for other purposes, in which it requested the concurrence of the Senate.

The message further announced that the House had agreed to the concurrent resolution (S. Con. Res. 40) favoring the suspension of deportation of certain aliens.

The message also announced that the House had agreed to a concurrent resolution (H. Con. Res. 151) providing that when the House adjourns on Thursday, August 23, 1951, it stand adjourned until 12 o'clock meridian Wednesday, September 12, 1951, in which it requested the concurrence of the Senate.

ADJOURNMENT OF HOUSE OF REPRESENTATIVES

The VICE PRESIDENT laid before the Senate House Concurrent Resolution 151, which was read, as follows:

Resolved by the House of Representatives (the Senate concurring), That when the

House adjourns on Thursday, August 23, 1951, it stand adjourned until 12 o'clock meridian Wednesday, September 12, 1951.

Mr. McFARLAND. Mr. President, I move that the Senate agree to the concurrent resolution.

The VICE PRESIDENT. Without objection—

Mr. WHERRY. Mr. President, several Senators on this side of the aisle wish to know whether the Senate will be included in the provisions of the resolution. I wonder whether the resolution can be amended so as to do so.

The VICE PRESIDENT. If that is a parliamentary inquiry, the Chair will state that the resolution does not so provide.

Mr. WHERRY. Mr. President, a parliamentary inquiry.

The VICE PRESIDENT. The Senator will state it.

Mr. WHERRY. The resolution is open to amendment, is it not?

The VICE PRESIDENT. Yes; it is open to amendment, but not to debate.

The question is on agreeing to the concurrent resolution.

Mr. JENNER. Mr. President, I move that the resolution be amended so as to include the Senate.

Mr. McFARLAND. Mr. President, I hope the Senator will not insist on his amendment. We are trying to meet a program, and such amendments as the one the Senator has proposed will only delay the Senate in its work. I hope the Senator will not insist on his amendment.

The same situation developed last year; and what was gained then by not agreeing to the resolution adopted by the House?

Such amendments or motions only delay the Senate in its work. I hope the Senator will not insist on the amendment.

Mr. JENNER. Mr. President, I withdraw the motion.

The VICE PRESIDENT. The question is on agreeing to the concurrent resolution.

The concurrent resolution was agreed to.

HOUSE JOINT RESOLUTION REFERRED

The joint resolution (H. J. Res. 320) amending an act making temporary appropriations for the fiscal year 1952, and for other purposes, was read twice by its title, and referred to the Committee on Appropriations.

AMENDMENT OF THE MERCHANT MARINE ACT, 1936

The Senate resumed the consideration of the bill (S. 241) to amend the Merchant Marine Act, 1936, as amended, to further promote the development and maintenance of the American merchant marine, and for other purposes.

The VICE PRESIDENT. The bill is open to amendment.

Mr. MAGNUSON. I have an amendment at the desk, which has been proposed by the Senator from Maryland and myself. I offer it at this time.

The VICE PRESIDENT. The Chair understands that the Senator's amendment is a substitute for the whole bill. Does the Senator wish to have the amendment stated in full?

Mr. MAGNUSON. I do not believe it is necessary to have it stated in full.

The VICE PRESIDENT. Without objection the reading of the Senator's amendment will be waived, and the amendment will be printed in the RECORD.

The amendment in the nature of a substitute submitted by Mr. MAGNUSON, on behalf of himself and Mr. O'CONOR, is as follows:

Strike out all after the enacting clause and in lieu thereof insert the following: "That section 501 (a) of the Merchant Marine Act, 1936, as amended, is amended to read as follows:

"(a) Any citizen of the United States may make application to the Commission for a construction-differential subsidy to aid in the construction of a new vessel to be used in the foreign commerce of the United States. No such application shall be approved by the Commission unless it determines that (1) the plans and specifications call for a new vessel which will meet the requirements of the foreign commerce of the United States, will aid in the promotion and development of such commerce, and be suitable for use by the United States for national defense or military purposes in time of war or national emergency; (2) the applicant possesses the ability, experience, financial resources, and other qualifications necessary to enable it to operate and maintain the proposed new vessel, and (3) the granting of the aid applied for is reasonably calculated to replace worn-out or obsolete tonnage with new and modern ships, or otherwise to carry out effectively the purposes and policy of this act. The contract of sale, and the mortgage given to secure the payment of the unpaid balance of the purchase price shall not restrict the lawful or proper use or operation of the vessel except to the extent expressly required by law."

"Sec. 2. The first sentence of section 501 (c) of such act is amended to read as follows: 'Any citizen of the United States may make application to the Commission for a construction-differential subsidy to aid in reconstructing or reconditioning any vessel that is to be used in the foreign commerce of the United States.'

"Sec. 3. Section 503 of such act is amended by (1) amending the third sentence to read as follows: 'At the time of delivery of the vessel the applicant shall execute and deliver a first-preferred mortgage to the United States to secure payment of any sums due from the applicant in respect to said vessel: *Provided*, That, notwithstanding any other provisions of law, the payment of any sums due in respect to a passenger vessel purchased under section 4 (b) of the Merchant Ship Sales Act of 1946, reconverted or restored for normal operation in commercial services, or in respect to a passenger vessel purchased under title V of this Act, which is delivered subsequent to March 8, 1946, and which (i) is of not less than 10,000 gross tons, (ii) has a designed speed approved by the Commission but not less than 18 knots, (iii) has accommodations for not less than 200 passengers, and, (iv) is approved by the Secretary of Defense as being desirable for national defense purposes, may, with the approval of the Commission, be secured only by a first-preferred mortgage on said vessel,' and (2) by inserting the following sentences immediately after the third sentence: 'With the approval of the Commission such preferred mortgage may provide that the sole recourse against the purchaser of such a passenger vessel under such mortgage, and any of the notes secured thereby, shall be limited to repossession of the vessel by the United States and the assignment of insurance claims, if the purchaser shall have complied with all provisions of the mortgage

other than those relating to the payment of principal and interest when due, and the obligation of the purchaser shall be satisfied and discharged by the surrender of the vessel, and all right, title, and interest therein to the United States. Such vessel upon surrender shall be (i) free and clear of all liens and encumbrances whatsoever, except the lien of the preferred mortgage, (ii) in class, and (iii) in as good order and condition, ordinary wear and tear excepted, as when acquired by the purchaser, except that any deficiencies with respect to freedom from encumbrances, condition, and class, may, to the extent covered by valid policies of insurance, be satisfied by the assignment to the United States of claims of the purchaser under such policies of insurance.'

"Sec. 4. The last sentence of section 504 of such Act is amended to read as follows: 'Such vessel shall be documented under the laws of the United States as provided in section 503 of this title. The contract of sale, and the mortgage given to secure the payment of the unpaid balance of the purchase price, shall not restrict the lawful or proper use or operation of the vessel, except to the extent expressly required by law.'

"Sec. 5. Section 507 of such Act is amended by inserting therein after the words 'foreign trade' the words 'or domestic trade.'

"Sec. 6. Section 509 of such Act is amended by amending that part of the fourth sentence preceding the proviso to read as follows: 'In case the vessel is designed to be of not less than 3,500 gross tons and to be capable of sustained speed of not less than 14 knots, the applicant shall be required to pay the Commission not less than 12½ per centum of the cost of such vessel, and in the case of any other vessel the applicant shall be required to pay the Commission not less than 25 percent of the cost of such vessel (excluding from such cost, in either case, the cost of national defense features); and the balance of such purchase price shall be paid by the applicant within 20 years in not to exceed 20 equal annual installments, with interest at 3½ per centum per annum, secured by a preferred mortgage on the vessel sold and otherwise secured as the Commission may determine: *Provided*, That, notwithstanding any other provisions of law, the balance of the purchase price of a passenger vessel constructed under this section which is delivered subsequent to March 8, 1946, and which has the tonnage, speed, passenger accommodations, and other characteristics set forth in section 503 of this Act, may, with the approval of the Commission, be secured as provided in such section, and the obligation of the purchaser of such a vessel shall be satisfied and discharged as provided in such section: *And provided*.'

"Sec. 7. Paragraph (1) of section 510 (a) of such Act is amended by inserting before the period at the end thereof a colon and the following: '*Provided*, That until June 30, 1958, the term "obsolete vessel" shall mean a vessel or vessels, each of which (A) is of not less than 1,350 gross tons, (B) is not less than 12 years old, and (C) is owned by a citizen or citizens of the United States and has been owned by such citizen or citizens for at least 3 years immediately prior to the date of acquisition hereunder.'

"Sec. 8. Section 510 (d) of such Act is amended by adding the following sentence at the end thereof: 'The rate for the use of the obsolete vessel shall be fixed for the entire period of such use at the time of execution of the contract for the construction of the new vessel.'

"Sec. 9. Section 511 (b) of such Act is amended to read as follows:

"(b) For the purposes of promoting the construction, reconstruction, reconditioning, or acquisition of vessels, or for other purposes authorized in this section, necessary to carrying out the policy set forth in title I of this Act, any citizen of the United States

who is operating a vessel or vessels in the foreign or domestic commerce of the United States or in the fisheries or owns in whole or in part a vessel or vessels being so operated, or who, at the time of purchase or requisition of the vessel by the Government, was operating a vessel or vessels so engaged or owned in whole or in part a vessel or vessels being so operated or had acquired or was having constructed a vessel or vessels for the purpose of operation in such commerce or in the fisheries, may establish a construction reserve fund, for the construction, reconstruction, reconditioning, or acquisition of new vessels, or for other purposes authorized in this section, to be composed of deposits of proceeds from sales of vessels, indemnities on account of losses of vessels, earnings from the operation of vessels documented under the laws of the United States and from services incident thereto, and receipts, in the form of interest or otherwise, with respect to amounts previously deposited. Such construction reserve fund shall be established, maintained, expended, and used in accordance with the provisions of this section and rules or regulations to be prescribed jointly by the Commission and the Secretary of the Treasury.

"Sec. 10. Section 511 (c) of such Act is amended to read as follows:

"(c) (1) In the case of the sale or actual or constructive total loss of a vessel, if the taxpayer deposits an amount equal to the net proceeds of the sale or to the net indemnity with respect to the loss in a construction reserve fund established under subsection (b), then—

"(A) if the taxpayer so elects in his income-tax return for the taxable year in which the gain was realized, or

"(B) in case a vessel is purchased or requisitioned by the United States, or is lost, in any taxable year beginning after December 31, 1939, and the taxpayer receives payment for the vessel so purchased or requisitioned, or receives from the United States indemnity on account of such loss, subsequent to the end of such taxable year, if the taxpayer so elects prior to the expiration of 60 days after the receipt of the payment or indemnity, and in accordance with a form of election to be prescribed by the Commissioner of Internal Revenue with the approval of the Secretary of the Treasury.

no gain shall be recognized to the taxpayer in respect of such sale or indemnification in the computation of net income for the purposes of Federal income or excess profits taxes. If an election is made under subdivision (B) and if computation or recomputation in accordance with this subsection is otherwise allowable but is prevented, on the date of making such election or within 6 months thereafter, by any statute of limitation, such computation or recomputation nevertheless shall be made notwithstanding such statute if a claim therefor is filed within 6 months after the date of making such election.

"(2) Effective with respect to the taxable years ending after July 31, 1951, earnings or receipts deposited in the construction reserve fund as provided in this section shall be treated as follows for Federal tax purposes:

"(A) Receipts, in the form of interest or otherwise, on amounts representing the net proceeds of sales or losses of vessels shall not be recognized for purposes of Federal income or excess profits taxes.

"(B) Earnings from the operation of vessels documented under the laws of the United States and from services incident thereto and receipts, in the form of interest or otherwise, with respect to such amounts for the purposes of Federal income or excess profits taxes shall be treated as "partially tax deferred." Partially tax deferred earnings shall not be recognized for the purposes of normal tax and surtax on corporations, but

shall be recognized for the purposes of excess profits tax imposed upon corporations. "Partially tax deferred" amounts shall not include capital gains deposited in the construction reserve fund.

"(3) For the purposes of this subsection no amount shall be considered as deposited in a construction reserve fund unless it is deposited within sixty days after it is received by the taxpayer except that in the case of earnings from the operation of vessels documented under the laws of the United States and from services incident thereto in any taxable year, the deposit may be made not later than the prescribed date of filing for the taxpayer's Federal income tax return for such year, and if such deposit is made on or before such date it shall be considered to have been deposited on the last day of the period covered by the tax return.

"(4) As used in this subsection the term "net proceeds" and the term "net indemnity" mean the sum of (A) the adjusted basis of the vessel and (B) the amount of gain which would be recognized to the taxpayer without regard to this subsection."

"Sec. 11. Section 511 (d) of such Act, effective with respect to taxable years ending after July 31, 1951, is amended to read as follows:

"(d) (1) The basis for determining gain or loss and for depreciation, for the purposes of Federal income or excess profits taxes, of any new vessel constructed, reconstructed, reconditioned, or acquired by the taxpayer, or with respect to which purchase-money indebtedness is liquidated as provided in subsection (g), in whole or in part out of the construction reserve fund shall be as follows:

"(A) Amounts representing the gain from the sale or losses of vessels and receipts on amounts representing the net proceeds of sales or losses of vessels deposited in the construction reserve fund, which are not recognized for tax purposes under subsection (c) shall not be recognized in the determination of the tax basis of any such property or in the determination of equity capital or total assets for excess profits tax purposes;

"(B) Amounts treated as partially tax-deferred under subsection (c) shall be recognized in the determination of the tax basis of any such property and in the determination of equity capital or total assets for excess profits tax purposes in such proportion as the excess profits tax attributable to such amount bears to the total tax which would have been imposed on such amounts except for the provisions of subsection (c); and

"(C) If any vessel (or property having a substituted basis by reference to such vessel) is sold, exchanged, distributed, or otherwise disposed of (except to the extent that gain is not recognized by reason of subsection (c) of this section or section 112 of the Internal Revenue Code), then the excess over the adjusted basis of the vessel (or of the property having a substituted basis by reference to such vessel), of—

"(i) in the case of a sale or exchange, the amount realized; or

"(ii) in the case of a distribution or disposition other than by sale or exchange, the fair market value of the vessel or property, at the time of such distribution or disposition, shall to the extent that funds so expended represent earnings or receipts which have not been recognized for tax purposes under this section, be considered, for the purposes of the provisions of title I of the Internal Revenue Code, as short term capital gain. Notwithstanding the provisions of section 511 (c) the earnings and profits of a corporation shall, for the purposes of section 115 of the Internal Revenue Code only be treated as if increased by the amount of any deposits in the construction reserve fund which have not been recognized for Federal tax purposes under section 511 (c).

The term "substituted basis" as used in this section shall have the same meaning as in section 113 (b) (2) of the Internal Revenue Code.

"(2) In computing the net operating loss deduction of the taxpayer under section 122 of the Internal Revenue Code—

"(A) the gross income of the taxpayer for purposes of section 122 (a) of the net income of the taxpayer for purposes of section 122 (b) and (c) shall include amounts treated as "partially tax deferred" under subsection 511 (c);

"(B) the normal-tax net income of the taxpayer for purposes of section 122 (c) shall include amounts treated as "partially tax deferred" under subsection 511 (c); and

"(C) the net income of the contractor, for purposes of the computation under section 122 (c), shall be increased by the amount of interest on obligations of the United States or its instrumentalities described in section 26 (a).

"(3) For the purpose of determining the excess profits credit the equity capital of the taxpayer for purposes of section 437 (c) of the Internal Revenue Code and the total assets of the taxpayer for purposes of sections 435 (e) (3), 440 (b), and 442 (f) of the Internal Revenue Code shall be computed by determining, to the extent applicable, the adjusted basis of assets of the depositor in accordance with the provisions of 511 (d) and by attributing to amounts on deposit in the construction reserve fund the basis which under this subsection would be attributed to property acquired therewith."

"Sec. 12. Clause (3) of section 511 (e) of such Act is amended to read as follows:

"(3) if any deposit arising out of the same transaction consist in part of gain, earnings, or receipts, not recognized under subsection (c), any expenditure, obligation, or withdrawal applied against such deposit shall be considered to consist of gain, earnings, or receipts in the proportion that the part of the deposit consisting of gain, earnings, or receipts, bears to the total amount of deposit."

"Sec. 13. Section 511 (g) of such Act is amended to read as follows:

"(g) The provisions of subsections (c) and (f) shall apply to any deposit in the construction reserve fund only to the extent that such deposit is expended or obligated for expenditure, in accordance with rules and regulations to be prescribed jointly by the Commission and the Secretary of the Treasury—

"(1) under a contract for the construction or acquisition of a new vessel or vessels (or in the discretion of the Commission, for a part interest therein), or, with the approval of the Commission, for the reconstruction or reconditioning of a new vessel or vessels, entered into within (i) two years from the date of deposit or the date of any extension thereof which may be granted by the Commission pursuant to the provisions of section 511 (h), in the case of deposits made prior to the date on which these amendatory provisions become effective, or (ii) three years from the date of such deposit in the case of a deposit (other than a deposit of earnings) made after such effective date, only if under such rules and regulations—

"(A) within such period not less than 12½ percent of the construction or contract price of the vessel or vessels is paid or irrevocably committed on account thereof and the plans and specifications therefor are approved by the Commission to the extent by it deemed necessary; and

"(B) in case of a vessel or vessels not constructed under the provisions of this title or not purchased from the Commission, (i) said construction is completed, within six months from the date of the construction contract, to the extent of not less than 5 percent thereof (or in case the contract

covers more than one vessel, the construction of the first vessel so contracted for is so completed to the extent of not less than 5 percent) as estimated by the Commission and certified by it to the Secretary of the Treasury, and (ii) all construction under such contract is completed with reasonable dispatch thereafter;

"(2) under a contract (i) for the construction of a new vessel or vessels, or (ii) for the acquisition, reconstruction, or reconditioning of a new vessel or vessels when the Commission determines by an affirmative vote of not less than three members that the objectives of the act will be promoted thereby, entered into within three years from the date of a deposit of earnings made after the effective date of these amendatory provisions, only if under such rules and regulations within such period the contract price of the vessel or vessels is paid or committed, and the construction of such vessel or vessels is completed, as provided in subparagraphs (A) and (B) of paragraph (1) of this subsection;

"(3) for the liquidation of existing or subsequently incurred purchase-money indebtedness to persons other than a parent company of, or a company affiliated or associated with, the mortgagor on a new vessel or vessels within (i) two years from the date of deposit or the date of any extension thereof which may be granted by the Commission pursuant to the provisions of section 511 (h), in the case of deposits made prior to the date on which these amendatory provisions become effective, or (ii) 3 years from the date of such deposit in the case of a deposit made after such effective date."

"SEC. 14. Section 511 (h) of such Act is amended by striking out the proviso thereto and substituting the following: 'Provided, That until March 31, 1952, in addition to the extensions hereinbefore permitted further extensions may be granted ending not later than September 30, 1952.'

"SEC. 15. Section 511 (i) of such Act is amended, effective with respect to the taxable years ending July 31, 1951, to read as follows:

"(i) Any such deposited gains, earnings, or receipts, or portions thereof, which are not so expended or obligated within the period provided, or which are otherwise withdrawn before the expiration of such period, or with respect to which the construction has not progressed to the extent of 5 per centum of completion within the period provided, or with respect to which the Commission finds and certifies to the Secretary of the Treasury that, for causes within the control of the taxpayer, the entire construction is not completed with reasonable dispatch, shall be taxable as follows:

"(1) Partially tax-deferred amounts shall, in the year in which the period for expending or obligating the amounts expires or terminates, or in the year in which otherwise withdrawn, be subject to the amount of normal tax and surtax which would have been imposed but for this section, in the year in which such amounts were deposited; and

"(2) Other tax-deferred amounts shall, to the extent not taxable upon deposit in the funds, be taxable in the year in which the period for expending or obligating the amount expires or terminates, or in the year in which otherwise withdrawn, under the conditions, tax rates, and provisions applicable to the year of deposit: *Provided*, That any such amounts representing gains, or portions thereof, with respect to deposits made in any taxable year ending on or before June 30, 1945, shall not be considered in computing gross income for purposes of the declared value excess-profits tax and capital stock tax, and there shall (in addition to any other deficiency) be assessed, collected, and paid in the same manner as if it were a deficiency, an amount equal to 1.1 percent of the amount of gain, such amount being

in lieu of any adjustment with respect to the declared value excess-profits tax for such taxable year.'

"SEC. 16. Section 511 of such Act is amended by adding at the end thereof a new subsection to read as follows:

"(c) The terms 'reconstruction and reconditioning,' as used in this section, shall include the reconstruction, reconditioning, or modernization of a vessel for exclusive use on the Great Lakes, including the St. Lawrence River and Gulf, if the Commission determines by an affirmative vote of not less than three members that the objectives of this Act will be promoted by such reconstruction, reconditioning, or modernization, and, notwithstanding any other provisions of law, such vessel shall be deemed to be a 'new vessel' within the meaning of this section for such reconstruction, reconditioning, or modernization.'

"SEC. 17. Clause (5) of section 606 of such Act is amended by striking out the phrase '21-year life expectancy of the subsidized vessels' and inserting in lieu thereof the following: 'life expectancy of the subsidized vessels determined as provided in section 607 (b).'

"SEC. 18. Section 607 (b) of such Act is amended by (1) amending that part of the second sentence preceding the proviso to read as follows: 'In this fund the contractor shall deposit annually or oftener, as the Commission may require, an amount equal to the annual depreciation charges on the contractor's vessels on which the operating differential is being paid, such depreciation charged to be computed on a twenty-year life expectancy of the vessels, except that the life expectancy of a vessel which shall have been or is to be wholly or partially reconstructed or reconditioned shall upon request be determined jointly by the Secretary of the Treasury and the Commission, and the depreciation charges on such vessel shall be computed on the life expectancy so determined.'

"SEC. 19. Section 607 (d) of such Act is amended by striking out the phrase 'being 20 years' and inserting in lieu thereof the following: 'as provided in section 607 (b).'

"SEC. 20. Section 607 (g) of such Act is amended by adding at the end thereof the following new sentence: 'If a voluntary deposit of earnings approved by the Commission under this subsection after December 31, 1950, results in an overpayment of Federal taxes for any year, interest shall not be allowed on such overpayment for any period prior to the date of approval of the deposit by the Commission; similarly, interest on any deficiencies shall not accrue until disapproval of the proposed deposit by the Commission.'

"SEC. 21. Section 607 (h) of such Act is amended, effective with respect to taxable years ending after July 31, 1951, to read as follows:

"(h) The earnings or gains of any contractor holding an operating-differential subsidy contract under authority of this act, which are deposited, or accrued for deposit, in the contractor's reserve funds as provided in this section, shall be treated as follows for Federal tax purposes:

"(1) Amounts required to be deposited as depreciation in the capital reserve fund shall be deductible in computing income subject to income and excess profits taxes.

"(2) The proceeds of any insurance or indemnities received by the contractor on account of the total loss of subsidized vessel and the proceeds of any sale or other disposition of a subsidized vessel, to the extent such proceeds represent gain, and earnings or gains on amounts deposited in the reserve funds (which are required to be deposited in the capital reserve fund) shall not be recognized for income or excess profits tax purposes.

"(3) Amounts deposited as depreciation in the capital reserve fund which exceed the depreciation which would be allowed under

the Internal Revenue Code (assuming the life expectancy determined under section 607 (b)) and amounts described in paragraph (2) which are not recognized for tax purposes, shall not be recognized in the determination of the tax basis of any property in the acquisition, construction, or reconstruction of which such amounts are expended or in the determination of equity capital or total assets for excess profits tax purposes. If such amounts are used to reduce indebtedness, proper adjustment shall be made on the basis of the property subject to the indebtedness.

"(4) Earnings deposited in the capital reserve fund, other than the amounts described in paragraphs (1) and (2), and earnings deposited in the special reserve fund shall be treated as 'partially tax deferred.' 'Partially tax deferred' earnings shall not be recognized for purposes of normal tax and surtax on corporations, but shall be recognized for purposes of the excess profits tax imposed upon corporations. 'Partially tax deferred' amounts shall not include capital gains deposited in capital reserve fund or the special reserve fund.

"(5) Amounts treated as 'partially tax deferred' under paragraph (4) shall be recognized in the determination of the tax basis of any property acquired, constructed, or reconstructed therewith and in the determination of equity capital or total assets for excess profits tax purposes in such proportion as the excess profits tax attributable to such amount bears to the total tax which would have been imposed on such amount but for paragraph (4). If 'partially tax deferred' amounts are used to reduce indebtedness, proper adjustment shall be made on the basis of the property subject to the indebtedness.

"(6) In computing the net income of the contractor for income and excess profits tax purposes—

"(A) the amount of operating-differential subsidy accrual payable to the contractor at final rates determined by the Commission for any taxable year, including amounts withheld by the Commission, shall be included in the income of the contractor for such year;

"(B) a deduction shall be allowed for the taxable year in the amount of subsidy reimbursement determined by the Commission to be then chargeable to the contractor, and not previously allowed; and

"(C) in respect of any amount previously withheld from subsidy payments as determined by the Commission to offset such reimbursement, which is released and paid to the contractor, the adjustment of such subsidy reimbursement shall be included in the income of the contractor, as follows:

"(i) for accruals made in respect of taxable years ending prior to the first taxable year ending after July 31, 1951, any such amount shall be included during the year in which paid and taxable under the conditions, tax rates and provisions applicable in the year of accrual, including provisions of any closing agreement entered into between the contractor and the Bureau of Internal Revenue;

"(ii) for accruals made in respect of taxable years ending after July 31, 1951, any such amount shall be included in the income of the contractor in the year to which such determination is applicable.

"(7) Deposit requirements in respect of any amount previously withheld from subsidy payments to offset reimbursement liability and excused from deposit in the reserve funds and other deposit requirements shall be satisfied as follows:

"(A) For amounts accrued in taxable years ending prior to July 31, 1951, the full amount thereof shall be deposited to the extent such amounts are tax-deferred under any closing agreements entered into between the contractor and the Bureau of Internal Revenue;

"(B) For amounts accrued in taxable years ending after July 31, 1951, the amount of any such requirements, less taxes payable thereon under this section, shall be deposited.

"(8) Earnings or gains on deposit in the reserve funds at the termination without extension, continuation or renewal of the contract, or withdrawn from the special reserve fund and paid into the contractor's general funds (other than for reimbursement of operating losses as provided under section 607 (c)) or distributed as dividends or bonuses, shall be taxable as follows:

"(A) "Partially tax deferred" amounts shall, in the year in which the amounts become available for withdrawal after termination or other withdrawal, be subject to the amount of normal tax and surtax which would have been imposed but for this section in the year in which such amounts were accrued for deposit, and

"(B) Other tax deferred earnings or gains shall, to the extent not taxable upon deposit in the funds, be taxable, in the year in which the amounts become available for withdrawal after termination or other withdrawal, under the conditions, tax rates and provisions applicable in the year accrued for deposit.

"(C) Earnings or gains which were for the year of accrual treated as tax exempt under the terms of any closing agreement entered into by the contractor and the Bureau of Internal Revenue shall be treated as provided in the closing agreement. Amounts withdrawn from the special reserve fund and used to reimburse the contractor's general funds for operating losses under section 607 (c) shall, to the extent such amount would not be recognized in the determination of tax basis under paragraph (5) or under the provisions of any closing agreement entered into between the contractor and the Bureau of Internal Revenue applicable with respect to deposits made prior to the first taxable year ending after July 31, 1951, be included in income of the contractor in the year to which the withdrawal from the fund is applicable.

"(9) Amounts deposited in the capital or special reserve funds shall be constitute an accumulation of earnings or profits within the meaning of section 102 of the Internal Revenue Code.

"(10) In computing the net operating loss deduction of the contractor under section 122 of the Internal Revenue Code—

"(A) the gross income of the contractor for purposes of section 122 (a) and the net income of the contractor for purposes of section 122 (b) and (c) shall include amounts treated as "partially tax deferred" under paragraph (4);

"(B) the normal-tax net income of the contractor for purposes of section 122 (c) shall include amounts treated as "partially tax deferred" under paragraph (4); and

"(C) the net income of the contractor, for purposes of the computation under section 122 (c), shall be increased by the amount of interest on obligations of the United States or its instrumentalities described in section 26 (a).

"(11) The excess-profits credit of the contractor shall be determined in accordance with the following provisions:

"(A) The average base period net income of the contractor shall be computed by including in excess-profits net income determined under section 433 (b) of the Internal Revenue Code for any taxable year the amount of earnings (not including capital gains) deposited by the contractor in the reserve funds in such year other than—

"(i) required deposits of depreciation;

"(ii) the amount of subsidy reimbursement determined by the Commission to be chargeable to the contractor for such year; and

"(iii) earnings on amounts deposited in the capital reserve fund (other than amounts transferred from the special reserve fund).

"(B) The equity capital of the contractor for purposes of section 437 (c) of the Internal Revenue Code and the total assets of the contractor for purposes of section 435 (e) (3), 440 (b) and 442 (f) of the Internal Revenue Code shall be computed by determining, to the extent applicable, the adjusted basis of assets of the contractor in accordance with the provisions of paragraphs (3) and (5) except that the provisions of any closing agreement entered into by the contractor and the Bureau of Internal Revenue applicable with respect to amounts deposited in the reserve funds prior to the first taxable year ending after July 31, 1951, shall govern determinations of the basis of property acquired, constructed, or reconstructed with such deposits, by attributing to amounts on deposit in the reserve funds the basis which under this subparagraph would be attributed to property acquired therewith.

"(12) For the purposes of this section, amounts withdrawn from the reserve funds or expended in accordance with the purposes of such funds shall be considered to represent the deposits in such funds in order of deposit and the funds shall be treated as a unit.

"(13) Deficiencies or overpayments of tax resulting from delay by the Commission in any of the determinations required under paragraph (6) shall not be subject to interest until 90 days after such determinations are made by the Commission."

"Sec. 22. Section 805 (c) of such act is amended to read as follows:

"(c) In determining the rights and obligations of any contractor under a contract authorized by title VI or title VII of this act, no salary for personal services in excess of \$25,000 per annum paid to a director, officer, or employee by said contractor, its affiliates, subsidiary, or associates, shall be taken into account. The terms "director," "officer," or "employee" shall be construed in the broadest sense. The term "salary" shall include wages and allowances of compensation in any form for personal services which will result in a director, officer, or employee receiving total compensation for his personal services from such sources exceeding in amount or value \$25,000 per annum."

"Sec. 23. Section 905 of such act is amended by adding at the end thereof a new subsection to read as follows:

"(1) The terms "United States Maritime Commission" and "Commission" shall mean the Secretary of Commerce, the Maritime Administrator, or the Federal Maritime Board as the context may require to conform to Reorganization Plan No. 21 of 1950, effective May 24, 1950."

Mr. SALTONSTALL. Mr. President, will the Senator yield?

Mr. MAGNUSON. Yes.

Mr. SALTONSTALL. The Senator from Washington will recall that he and I were engaged in a colloquy a short time ago. I have been informed—and possibly the Senator has restated his position—that this bill does extend to ships in the foreign trade the subsidies which now apply under the 1936 act. In other words, am I correct in understanding that the bill provides an extension of operating subsidies?

Mr. MAGNUSON. No, no.

Mr. SALTONSTALL. Am I correct in understanding that the bill would extend construction subsidies to a greater degree than at the present time?

Mr. MAGNUSON. It extends eligibility for a building subsidy. Under the 1936 act only subsidized lines are eligible.

Mr. SALTONSTALL. In other words, a ship could be built with a subsidy from

the Government under conditions other than that now exist?

Mr. MAGNUSON. Other than now. Of course, certain standards would have to be met. Proof would have to be submitted to the Maritime Board. The purpose is to permit unsubsidized shipping companies to become eligible and thus build some new ships.

Mr. SALTONSTALL. Why does not the 1936 act cover the situation? Why is it necessary to amend the 1936 act?

Mr. MAGNUSON. In 1936 we did not have a so-called unsubsidized fleet, as such. At least it was a very minor portion of the American merchant marine. Ships flying the American flag were ships of subsidized operators. With the coming of World War II we went into large nonsubsidized operation, some on regular routes, such as the Waterman Line, and others which are not on regular routes. The big bulk of the fleet today is unsubsidized. That is why we wish to extend the eligibility.

Mr. SALTONSTALL. The other lines, if they conform to certain regulations, and if sufficient appropriations are made, can come in under present construction subsidies if the pending bill is enacted?

Mr. MAGNUSON. They can make application. It does not mean that the Maritime Board would have to grant the application. The bill would extend eligibility.

Mr. WILLIAMS. Mr. President, am I correct in understanding that the amendment offered by the Senator from Washington is an amendment in the nature of a substitute?

The VICE PRESIDENT. Yes.

Mr. WILLIAMS. Mr. President, I move that sections 1, 2, and 4 of the amendment in the nature of a substitute be stricken.

The VICE PRESIDENT. The clerk will state the amendment which the Senator from Delaware [Mr. WILLIAMS] offers.

The CHIEF CLERK. It is proposed to strike out sections 1, 2, and 4 of the amendment in the nature of a substitute offered by Mr. MAGNUSON on behalf of himself and Mr. O'CONOR.

Mr. WILLIAMS. Mr. President, the purpose of striking out the three sections to which I have referred is to stop the extension of construction subsidies to the other phases of the merchant marine. My amendment is in line with the recommendations which have been made by certain Government departments which recommend that this extension be not made at a time when our economic situation is what it is today. The position taken by the departments is that with the earnings of these companies as high as they are today, there is no need for any subsidy, even though a subsidy might be considered advisable in times of depression.

To show how the freight rates of these companies have risen, let me point out that since 1950 the average rates on oceanic shipping have increased 115 percent.

As a further example, I point out that the freight rate on the shipment of wheat to India—since the outbreak of the war in Korea has increased from

\$10.50 to \$25 a ton. These were the February rates. I do not know what the present rate is. I understand it is approximately 10 percent lower. Even so, it would be more than double what it was before the outbreak of the Korean war.

I agree fully with the Maritime Administration when it says there is no justification for an extension of these subsidies at this time, particularly in view of the fact that there is a deficit and when we are being asked to provide increased taxes to \$6 billion or \$8 billion, why should we authorize a subsidy to a phase of American industry which already is charging the American taxpayers more than is reasonable and is making exorbitant profits at the present time?

I hope the Senator from Washington will agree that my amendment should be adopted.

The Senator from Washington in his opening statement indicated that he wished to have this measure conform to the recommendations of the Government departments concerned, and we cannot do so without striking out these sections.

Mr. President, I ask whether the Senator from Washington will accept the amendment which calls for striking out these three sections of his substitute amendment. This will substantially reduce the cost.

Mr. MAGNUSON. Mr. President, I should like to say something about the amendment. I cannot accept it.

It is true, as I pointed out before, that this so-called compromise or substitute embodies almost all the things which the departments or agencies thought it desirable to do, with two exceptions, and this amendment covers one of them. However, if Senators will read the letter from the Acting Secretary of Commerce, they will find that the Department of Commerce is not opposed to section 1. The Department merely says that probably no ships would be built at this time, and, therefore, perhaps we should not go into the matter.

Of course, I am in hope that some new, modern ships will be built under the provisions of this measure. After all, that is its very purpose. So I hope that some of the private operators will build ships by using some of their own profits for that purpose, because in that way they will obtain the benefit of the tax deferments when those funds are used purely for shipbuilding.

Therefore, if section 1 is not included in this measure, the result, in my opinion, would be to put us in the position in which we were before.

The subsidized lines now receive a construction subsidy under the 1936 act, and there would not be any incentive for them to do anything more than they are doing now—which is little or nothing, with the exception of the construction of the passenger ships which were built in the last year—if this section were removed from the measure.

The bill is called by everyone the long-range shipping bill in the hope that our shipping fleet will not become obsolescent.

No one objects to section 1. The Department merely said that perhaps no ships would be built at this time. In view of the present steel situation, I do not think the construction of any new vessels would be begun tomorrow, unless a priority were obtained for the use of steel for the construction of transports or tankers.

However, so long as we are dealing with the shipping problem, and inasmuch as the purpose and the goal of this measure is to do that job, this section should remain in the measure so that if anyone wishes to build a modern ship, which is so sorely needed, there will be an opportunity for him to do so.

Mr. CASE. Mr. President, I am unable to read the letter of the Acting Secretary of Commerce and obtain a construction of it similar to that which the Senator from Washington has placed upon it.

I respectfully invite the attention of the Members of the Senate to the actual wording of the letter from the Acting Secretary of Commerce, which appears at page 13 of the report.

In that letter the Acting Secretary of Commerce writes as follows:

The intent of section 1 of the bill as introduced is to extend the eligibility for construction-differential subsidy under title V, Merchant Marine Act, 1936—to vessels to be used in foreign trade and commerce of the United States—

Here is the important part—

without regard to the existing requirements as to the essentiality of service, route, or line, to be served by the vessels.

In other words, the provisions of section 1 abandon the tests which were established in the 1936 act to determine whether construction differential subsidies should be granted, for section 1 would abandon the requirement of a showing of essentiality of a service, route, or line.

Then the Acting Secretary of Commerce says in his letter:

Under present circumstances of mobilization and the material controls incident thereto, it appears highly improbable that any construction would develop out of this section in the near future.

Then the Department takes the easy way of opposing the section, by saying:

It is accordingly recommended that consideration of this section be deferred until the international and national economic situations have become more stable.

Certainly the Acting Secretary of Commerce does not endorse sections 1, 2, and 4. He recommends that the construction of vessels under those sections be deferred.

I am not at all surprised that the Department recommends that such construction be deferred, because this measure proposes to make any citizen of the United States eligible, upon application, for a construction differential subsidy with which to pay for the construction of a new vessel, and without any requirement that the vessel be shown to be essential, and without any requirement of a showing that the route is needed or a showing as to the essentiality of the line to be served by the vessel.

Mr. MAGNUSON. Mr. President, will the Senator yield?

Mr. CASE. I will yield in a moment. The Senator from South Dakota knows very little about ship construction. My only background in reference to it is that for a number of years I served on the Appropriations Committee in the House of Representatives, where we dealt with appropriations for the Maritime Commission; and I know, both as a matter of fact and as a matter of record, that the Comptroller General was scathing in his denunciation of the operation of the differential subsidies, and that time after time the Comptroller General found that there were no adequate comparative data for measuring the amount of the subsidy to be paid. The most scathing report, I think, which the Comptroller, Mr. Lindsay Warren, a former respected Member of the Congress, ever submitted was based upon the abuses of differential subsidies. Yet here, without any consideration and glossing over the consideration of a change in the fundamental requirements as to the granting of subsidies, we are to let this section slide through on the mere statement that perhaps it is not going to be used right away. The Senate would then fail in its consideration of the essential principles which ought to be considered, if we are to change the basis for granting subsidies.

Mr. MAGNUSON. Mr. President, will the Senator yield?

Mr. CASE. I am glad to yield to the Senator from Washington.

Mr. MAGNUSON. Of course, this measure has nothing to do with operational differential subsidies. It deals with the so-called constructional subsidies.

Mr. CASE. It is true the language of the bill does, but the same principle is involved.

Mr. MAGNUSON. No; it is an entirely different principle in that operational differential subsidies are paid only to those who are in direct foreign competition upon essential trade routes under the 1936 act. This bill applies to construction differential subsidies. It was necessary for us to use the term "any citizen of the United States" because we could not say that only certain citizens could apply or could take advantage of the reserve fund or obtain the benefit of tax deferment. This bill has nothing whatever to do with the old Maritime Commission. If the Senator from South Dakota will check back on it, I think he will find that the Senator from Washington and the Senator from Maryland, as well as the Senator from Delaware—in fact, that all of us who have been active in maritime matters—were primarily responsible for the abolition of the Maritime Commission. The Maritime Commission does not exist any more.

Mr. CASE. That is correct.

Mr. MAGNUSON. The Maritime Board now exists.

Mr. CASE. It exists, in the Department of Commerce; and we have the Secretary of Commerce saying that he does not think this section should be enacted at this time.

Mr. MAGNUSON. I merely wanted to explain that it has nothing to do with the Maritime Commission. The bill relates to the Maritime Board, and it has to do with making certain persons eligible. The Board establishes its own regulations, and it is at all times restricted by the amount of money which the Appropriations Committee provides for it. The bill stresses eligibility, because it is our hope that we may get some ships built. That is its purpose. I know the reasons behind the writing of the Secretary's letter. The Department thought that perhaps no vessels would be built at this time.

Mr. CASE. May I ask the Senator from Washington, to what does the word "Commission" refer, in section 1 of his substitute?

Mr. MAGNUSON. We had to use that word because the 1936 act refers to the Commission at all times, because there was then a Maritime Commission; whereas, the Maritime Commission having now been abolished, it is necessary, when we amend the 1936 act, to employ the word "Commission" interchangeably with the "Board."

Mr. CASE. The successor Board succeeds to the powers and duties of the Commission, does it?

Mr. MAGNUSON. Not to all of them.

Mr. CASE. But it does in some respects, does it not?

Mr. MAGNUSON. It does in certain respects.

Mr. CASE. In the proposed substitute, this language appears:

No such application shall be approved by the Commission unless it determines—

Mr. MAGNUSON. The Board is meant. We found it necessary to use the word "Commission."

Mr. CASE. It means the successor to the Commission, does it not?

Mr. MAGNUSON. Yes. The only difference is that the Reorganization Act abolished the Commission. It refers to the Secretary of Commerce, himself.

Mr. CASE. The only requirement placed upon the granting of this constructional differential subsidy is that the Commission determines:

that (1) the plans and specifications call for a new vessel which will meet the requirements of the foreign commerce of the United States, will aid in the promotion and development of such commerce, and be suitable for use by the United States for national defense or military purposes in time of war or national emergency; (2) the applicant possesses the ability, experience, financial resources, and other qualifications necessary to enable it to operate and maintain the proposed new vessel.

Mr. MAGNUSON. I did not hear what the Senator said.

Mr. CASE. I was reading the things which the Commission, or its successor, the Board, must find.

Mr. MAGNUSON. The only difference between the powers of the Board and those of the old Maritime Commission, in respect to this phase of their activity, is that under the Reorganization Act the Secretary, himself, determines what is an essential trade route; and, after that is determined, the Board is given the same authority the old Commission had with

respect to operational subsidies and construction differentials.

While I am on my feet, I want to say that I agreed with the Comptroller General regarding the Maritime Commission, and certain of the things which had happened in it. I think some of the things that happen were responsible for the abolition of the Commission. But I think Senators will agree with me that the Maritime Board, under the administration of Admiral Cochrane, has done an outstanding job. I have no reason to believe that it will not continue on the same plane.

Mr. CASE. The Senator from South Dakota does not question that Admiral Cochrane and the Secretary of Commerce are doing better work than was done by the Maritime Commission, but the Senator from South Dakota is unable to understand why the power or responsibility for granting applications should be placed upon the Secretary, without continuing the requirements with respect to a showing as to essentiality of service, the essentiality of the route, and the essentiality of the line to be served.

Mr. MAGNUSON. I think the Senator from South Dakota is a little confused in that regard. The reason for the language is that, under the present law, the subsidized operators must meet the requirements regarding essentiality of trade routes and regularly scheduled sailings; whereas this bill strikes that out in the case of someone aside from the subsidized operator, who wants to apply for a constructional subsidy, because we do not want him to be required to be placed under the same restrictions as the subsidized operator.

Mr. CASE. Is there such a provision in the present law?

Mr. MAGNUSON. For the subsidized operator, yes.

Mr. CASE. Does it exist in the present law for the man who gets a constructional differential subsidy?

Mr. MAGNUSON. Only in the case of the subsidized operator.

Mr. CASE. That is avoiding the direct question. Does the man who today gets a constructional differential subsidy, have to show the essentiality of the service which he proposes to render by means of the ship?

Mr. MAGNUSON. Oh, yes, because he would not be eligible unless he were a subsidized operator; and, to be subsidized, he must show the essentiality of service.

Mr. CASE. Why should that requirement be abandoned?

Mr. MAGNUSON. Because he is getting a subsidy. These other people are not getting subsidies.

Mr. WILLIAMS. Mr. President, will the Senator yield?

Mr. CASE. I yield.

Mr. WILLIAMS. My reason for objecting to this proposal is, that it would extend the subsidy to all ships under the American flag, irrespective of whether their operation is needed. The cost of this bill if adopted as proposed by the Senator from Washington, will multiply the cost of our subsidy to the American shipping industry many times. His pro-

posal, if adopted by the Senate, would extend the construction differential subsidy to anyone who wants to apply for it for the purpose of building a new ship. There can be no argument about that. The Senator from Washington thinks this is necessary. I think it is extending it too far, particularly at a time of national emergency. It is for the Senate to decide whether it wants to do it or not, and it is a question on which I think we should vote. But if the Senate adopts the proposal, there is no need of our criticizing Admiral Cochrane, or anyone else, when he comes before the Congress to ask for appropriations with which to pay for the constructional and operational subsidies, because if we authorize them, we must vote for appropriations to pay for them. If we do not want to vote to pay for them, let us kill the provision and not extend it at this time. As I said before, it is proposed under sections 1, 2, and 4 to extend the privilege to everyone who wants to make use of it.

Mr. CASE. Can the Senator from Delaware suggest any reason why this concession should be granted if there is no immediate construction in sight?

Mr. WILLIAMS. I can see no reason, and that is why I am making a motion to strike out the sections. I see no reason why we should extend the subsidy.

Mr. CASE. If there is no probability that any ships will be constructed, and if there is no consideration to be given by Members of the Senate generally to this fundamental change in the law, why should we not follow the recommendation of the Secretary and let the provision go out of the bill?

Mr. WILLIAMS. I think it should be stricken out. I am not sure I agree with the Senator from Washington, because when ship companies can buy ships at the subsidized rate, I think more ships will be constructed than we have anticipated. The provision is put in the bill for one purpose, and one purpose only, namely, that it be used. If it is not to be used, no one would want it. It is foolish to say that it will not cost anything. We cannot grant a subsidy without it costing some amount of money, and I assure you this bill will cost plenty unless it is modified considerably.

Mr. CASE. Mr. President, I ask unanimous consent to yield to the Senator from Maryland [Mr. O'CONOR] for an insertion in the RECORD.

The VICE PRESIDENT. Without objection, it is so ordered.

Mr. O'CONOR. Mr. President, it is not an insertion. It is a statement of some facts and figures which I think are pertinent to this discussion. I am very grateful to the Senator for allowing me to make this short statement.

We feel that the particular sections which are sought to be eliminated by the Senator's amendment go to the very heart of the whole question. Contrary to what has been suggested, we think this bill, if enacted, will stimulate and encourage shipbuilding, for which there is very great need.

I should like to present the following facts and figures at this time.

As an indication of the great decline that ensued, one needs but to point to the

fact that, whereas in 1936 there were 5,387 ships of 55,000,000 dead-weight tonnage under the American flag, today the privately owned merchant fleet flying the United States flag totals 1,304 ships of some 15,500,000 dead-weight tons. Incredible as it may seem, our Nation, the economic leader of the world, today is operating less than 10 percent of the world's ships.

American tankers were in 1950 carrying approximately 50 percent of import and export tanker cargoes, but the record of dry-cargo carryings was far less encouraging—in that year American-flag vessels carried only 38 percent of our import tonnage, and 36 percent of our export tonnage.

In the all-important group of passenger ships, so vital as transports in dire emergency, America has been greatly outdistanced. In 1939 there were 117 American passenger ships of 877,000 gross tons. Of the approximately 3,500 vessels the United States has now in active service and in lay-up, only 79 can be listed as passenger liners. Actually, just 49 of these are in service, the remainder being either unsuitable or obsolete.

Contrast this with the proportionately far greater number in Great Britain. Out of 2,605 ships of all types, Great Britain has 279 passenger vessels, approximately six times as many as those in active service in this country. Even little Holland outdistances the United States with almost one-fourth of its 500 vessels, 89, in passenger classification. Ahead of us, too, are France, with 72, and Italy with 48. Even Soviet Russia, despite its minimum fleet of little more than 400 vessels of all types, has 63 passenger vessels.

Disturbing as is this comparison of figures, it is heightened considerably by the fact that while foreign nations have on order or under construction 97 passenger ships, we have had only 2 in the last year. I place double emphasis on that, because of the great need which was apparent in the recent past with reference to passenger vessels.

I thank the Senator for the opportunity of making my statement for the RECORD, because we think that if this bill is enacted into law, it will stimulate ship construction.

Mr. WHERRY. Mr. President, will the Senator from South Dakota yield?

Mr. CASE. I yield for a question.

Mr. WHERRY. On page 3 of the report these two observations are found:

Being assured of long-range equality in competitive conditions with foreign operators, United States shipping private-risk capital is willing to invest in such vessels. It logically follows that the investment of private capital will materially reduce the cost to the Government, i. e., the taxpayer, of giving us a well-balanced defense fleet.

In contrast with this limited shipbuilding program, our foreign competitors are rapidly expanding and modernizing their merchant fleets. Building for private account in foreign yards for registry under foreign flags, including vessels under construction for the account of American owners, is at a high level. A table graphically illustrating, as of January 1, 1951, world-wide shipbuilding, according to the country of registry and by type, follows.

The world total is given as 935. I take it that that represents ships being built either in our own yards or in foreign yards.

The second line of the table shows that there are seven United States ships. Does that mean that we are building only seven ships in the United States?

Mr. O'CONOR. That is exactly correct.

Mr. WHERRY. Then I come to the \$64 question.

The table shows that in the Marshall plan countries there are 745 ships.

Mr. O'CONOR. That is correct. Some of them were built with our money.

Mr. WHERRY. That is the next point.

Mr. O'CONOR. I anticipated the Senator's question, and I am in agreement with him.

Mr. WHERRY. I notice that 245 ships are being built in the United Kingdom, a Marshall-plan nation. How much is the United States contributing?

Mr. O'CONOR. The Senator from Nebraska has gone to the very heart of the matter, as he usually does, and he is asking a very pertinent and very sensible question. Actually a great deal of the Marshall plan money has been utilized for the upbuilding of the ship-construction industry in foreign countries which not only have taken away shipping business from American companies, but have deprived our own shipyards of the opportunity to build ships, and, instead, they are being constructed abroad, where labor is cheaper. To that extent, it has injured the entire economy of this country.

Mr. CASE. I think the same thing is happening in many other fields. Marshall plan money has built up competition with textile mills; Marshall plan money has built up competition with the producers of tools; Marshall plan money has built up competition for many other American producers. That will be realized in increasing degree as time goes on.

Mr. MAGNUSON. That is true, but this bill applies only to foreign trade.

Mr. CASE. Does it apply also to vessels on the Great Lakes?

Mr. MAGNUSON. Yes. Anyone can build a fishing boat or a barge. The Marshall plan has furnished competition in connection with a number of products, but there still is a domestic market. But a ship operator has to go out and compete.

Mr. WHERRY. Mr. President, will the Senator from South Dakota yield?

Mr. CASE. I yield.

Mr. WHERRY. The Senator from South Dakota has touched on the point I desire to make. Here we are asked to subsidize the construction of ships so the American merchant marine may compete in shipbuilding with the countries that are building ships for foreign trade. We subsidized, through the Marshall plan, 745 ships out of a total of 935 built world-wide. Where are we ever going to get enough money or how are we going to operate, if we subsidize other countries and they take away our

business? No one has answered that question. We certainly put the private investor in this country at a terrific handicap in meeting competition we are creating through the taxpayer's contribution to the Marshall-plan countries which, as the statement contained in the report shows, are building 75 percent of the total ship construction of the whole world.

Mr. CASE. The observations of the Senator from Nebraska illustrate the contradictory and inflationary policies being followed by the present administration, because it certainly is inflationary to spend dollars in one way and then have to spend dollars in another way to offset the first batch of dollars expended.

Mr. WILLIAMS. Mr. President, will the Senator yield?

Mr. CASE. I yield.

Mr. WILLIAMS. I wish to say to the Senators from South Dakota and Nebraska that I raised the same point in the committee, and no one contradicted it. But the condition the Senators have mentioned is the result of the policy of the administration as we are operating today. A request will come to us in a few days for \$8,500,000,000 for foreign aid, a large portion of which will be to subsidize the construction of ships in Europe so that the ships of Europe can compete with our ships. Now it is proposed that we subsidize our ships so that they can compete with the ships of European countries. I do not know where this is all going to end.

Mr. CASE. It is a pure illustration of a dog chasing his own tail, or a cat chasing her own tail; it just goes around in a circle.

Mr. MAGNUSON. It is not quite that. But the principle of subsidizing the American merchant marine goes back to 1841. It has been in effect long before we appropriated a nickel for foreign aid. The situation referred to is true enough.

Mr. WHERRY. We know that we have to subsidize an American merchant marine. We know that because of shorter hours and higher standards of living the American merchant marine is operating at a handicap in meeting competition from foreign countries; even in construction of ships the same factors might be true. But I submit to the Senator from Washington that what we have now is an entirely different situation. We are now subsidizing the Marshall plan countries to build 745 ships, in order that the trade of those countries may be built up. Because of that competition, we now have to increase the subsidies to shipbuilders of this country in order that they may meet that foreign competition, which we have ourselves created. Where is it ever going to stop?

Mr. MAGNUSON. We would anyway have to enact this type of bill, because otherwise we would not have had any ship construction because of the high wages in America. The estimated cost of constructing a ship in the United States runs almost double the cost of constructing one, let us say, in a comparable English shipyard.

Mr. CASE. I should like to address some inquiries to the Senator from Delaware, without losing the floor.

Mr. MAGNUSON. Mr. President, for the information of Senators I should like to point out that under the 1936 act the construction subsidies have been a total of \$279,000,000, which is less than \$17,000,000 a year.

Mr. CASE. The Senator from South Dakota would like to ask a few questions of the Senator from Delaware without losing the floor.

The VICE PRESIDENT. Is there objection?

Mr. MAGNUSON. Mr. President, I did not hear the request.

The VICE PRESIDENT. The Senator from South Dakota asks if he may ask questions of the Senator from Delaware without losing the floor?

Is there objection? Without objection, it is so ordered.

Mr. CASE. The Senator from South Dakota does not pretend to be familiar with all the details of the legislation in connection with this bill, and he knows the Senator from Delaware has studied it at great length. Do the provisions of this bill provide an opportunity for shipowners, or would-be shipowners to deposit certain reserves for the purpose of possible ship construction and have them tax exempt?

Mr. WILLIAMS. I have the letter from the Secretary of the Treasury which explains that.

Mr. CASE. What I am seeking to determine for my own information—

Mr. WILLIAMS. If the Senator will permit me I will read a portion of the letter signed by John W. Snyder, Secretary of the Treasury, which I think explains the current operations of the tax exemption. The letter is to be found on the top of page 121 of the committee hearings:

The Treasury Department has consistently opposed tax subsidies such as those provided in the proposed bill. The amount of such subsidies cannot be ascertained except through an examination and recalculation of the operators' tax returns as well as an inquiry into the extent to which such operators have availed themselves of the special tax provisions contained in the statute. This type of tax benefit seldom functions in accordance with the need of the taxpayer for outside aid; taxpayers with the largest income generally obtain the greatest benefits therefrom. These companies with operating losses or very meager earnings and which need assistance the most receive little or no help from tax subsidies. It is the view of the Treasury Department that subsidized operators should be accorded the same tax treatment as unsubsidized operators in the shipping industry and as all other taxpayers.

Mr. CASE. Is it true, then, that if we should adopt section 1 we would be establishing a condition whereby shipbuilders would get two benefits: First, subsidy for the construction of vessels the essentiality of which they have not been required to show, and, second, some tax benefits?

Mr. WILLIAMS. The tax benefits are contained in the later chapters of the bill, sections 18 and 20, which sections deal primarily with the construction subsidy. The construction subsidies are best explained by a statement written by the Honorable Lindsay C. Warren,

in a report dated March 23, 1951. I should like to read that statement:

The mechanics of the construction subsidy arrangement are such that subsidies are not paid directly to the ship operators. Instead the act authorizes the Agency to contract for the construction of a vessel by a United States shipbuilder and to contract concurrently to sell the vessel to the ship operator at its estimated foreign cost exclusive of national defense features.

In other words, the Maritime Administration will contract for the construction of a ship in the American shipyards at a cost, say, of \$5,000,000. Then the Maritime Administration will estimate what the construction cost of this same ship would have been had the work been done in a foreign shipyard with foreign low-cost labor. After obtaining this estimate the ship is sold to the shipping company at the foreign estimated cost, which normally averages about 30 percent below American costs. That, of course, represents a loss to the American taxpayers. So in one sense of the word it is true when it is said that the Government does not pay a direct cash subsidy to these ship owners; yet it is a subsidy so far as the taxpayers are concerned, because they assume the very substantial loss represented by the 30 percent cost differential between foreign and American shipyard construction.

Mr. CASE. If the Treasury foots the loss in the sale, it is a subsidy.

Mr. WILLIAMS. Sections 1, 2, and 4 deal with that. I think the Senate should agree that if those sections should be voted in or out of the bill, they should be voted in or out as a unit, because they are related. So we are dealing with that one subject, which is the construction subsidy arrangement, which is spelled out on the first page.

Mr. CASE. There are several features of the bill which commend themselves to one who goes through the report, and it would seem that the bill as a whole probably ought to be enacted. But the Senator from South Dakota is as yet unable to find any reason why we should insist on keeping in the bill certain sections, the consideration of which the Secretary of Commerce clearly thought should be deferred, and which as nearly as I can read are defective in that they propose to waive certain showings of essentiality of the route to be served by the vessel. Therefore, I sincerely hope that the amendment offered by the Senator from Delaware will be accepted, so that it will not be necessary to have another yea-and-nay vote. It seems to me that the sponsors of the bill might well accept the amendment. Then we could get to a basis on which the Senate would find itself in substantial agreement. If not, I trust that when the question comes to a vote, the Senate will adopt the amendment and reject sections 1, 2, and 4.

Mr. MAGNUSON. Mr. President, I wish to say briefly to the Senator from South Dakota that I disagree with the Department of Commerce. I do not think it is opposed to the section. It was merely thought that no ships would be built at this time. I am hoping that

some ships will be built. That is why we have been working on this bill.

The Senator from Delaware [Mr. WILLIAMS] said something to the effect that this program may cost us something. I have already placed in the RECORD a figure of approximately \$275,000,000 which we have invested over a 20-year period in the development of the entire merchant marine.

If we do not build ships under this bill, what do Senators think it will cost us to have a merchant marine? Of course the construction subsidy costs something, but we are trying to encourage the building of ships. That is why I want these sections in the bill. There is no objection on the part of the Department of Commerce. It is merely said that the Department does not believe that any ships will be built at this time. I believe that some ships would be built at this time. I want those sections in the bill so as to afford an opportunity for building them.

As I pointed out earlier—I do not know whether the Senator from South Dakota was on the floor—85 percent of the ships now flying the American flag were constructed in World War II. The average economical life of a ship is about 12 years. Unless we start building ships—and it requires 3 or 4 years from the drawing board to the commissioning of a ship—in 5 or 6 years we are going to run into block obsolescence of the entire merchant fleet. Then we shall have to spend billions of dollars to bring it back again. We hope to keep it in private hands.

Mr. LONG. Mr. President, will the Senator yield for a question?

Mr. MAGNUSON. I shall be glad to yield in a moment.

I should like to clear up what I think is a misunderstanding in the mind of the Senator from South Dakota. He talks about the trade routes. That provision is put in the bill because the subsidized lines must follow certain standards. That does not mean that the Maritime Board will not have certain standards for other operators. In the bill we provide certain standards, but the Maritime Board does not have to grant a construction subsidy to an applicant outside the subsidized group unless a good showing is made before the Maritime Board, and unless the Appropriations Committees of Congress want to appropriate the money.

Mr. CASE. Mr. President, will the Senator yield?

Mr. MAGNUSON. I yield.

Mr. CASE. I ask the Senator if he has given consideration to the following paragraph in the letter of the Acting Secretary of Commerce:

The Government is in fact a partner in such operations and strongly inclined therefore to guard its interests by restricting the number of subsidized lines in any service following the policy established in title VI of the act. Actually, today, of some 842 privately owned or privately operated passenger and dry-cargo ships under the American flag, only 248 are approved as eligible for operating-differential subsidy.

I wish especially to read the next sentence, because this explains why I look

upon the question of subsidies as a whole. The acting Secretary says:

Eligibility for construction-differential subsidy goes hand in hand in the law with operating-differential subsidy, i. e., it is limited to ships intended for service on particular essential foreign trade routes.

In the light of that, why should we abandon the requirement for showing that the construction of a certain ship is necessary to an essential service?

Mr. MAGNUSON. First, we do not abandon that principle. I do not presume for a minute that the Maritime Board would allow a construction-differential subsidy to anyone who did not show the essentiality of the ship, or where it was going to be used, or how it was to be used. In the bill a certain blueprint is set out.

Secondly, the reason we want to extend the field of operations is that we do not wish to restrict it to the subsidized operators. I do not agree with the views of the Secretary of Commerce on this question. If we do not allow operators who are not subsidized—and they represent the bulk of our merchant marine today—to construct some ships, the construction will be gradually restricted to the subsidized operators. That list will become smaller and smaller, the monopoly will become greater and greater, and our merchant marine will grow smaller and smaller.

What we are trying to do is to extend the program so that other operators will have an opportunity, and we shall be able to keep our merchant marine in balance, as between subsidized and unsubsidized operators.

Of late years the Appropriations Committee has been limiting the number of voyages with respect to which the Maritime Administration can pay operational differential subsidies. That has a tendency to restrict such payments to the subsidized lines. We want to break the so-called subsidized monopoly. If we do not do so, only the subsidized operators will be building ships; and in 4 or 5 years, when the ships become obsolete, the unsubsidized operators will have no opportunity to build ships to compete with subsidized operators. That would mean that we would be restricting the merchant marine to subsidized operation. That is why we attempt to go further in section 1.

Mr. CASE. Would that do any good, so long as the limitation on the number of voyages remains?

Mr. MAGNUSON. This relates only to construction.

Mr. CASE. I know; but ships are not going to be built just to have them afloat and looking pretty.

Mr. MAGNUSON. Operational-differential subsidies for voyages are limited only to subsidized operators. The construction subsidy is for any operator. Many of our largest steamship companies are not subsidized. They would build ships under this plan. As a matter of fact, the company which wants to go ahead right away is the Waterman Steamship Co., which is a nonsubsidized operation.

Mr. CASE. I was referring to the question of monopoly. How does the

Senator propose to change the number of authorized voyages?

Mr. MAGNUSON. Authorized voyages have nothing to do with the non-subsidized operators.

Mr. CASE. No; but in the Senator's earlier remarks he referred to the monopoly of the recognized operators, with respect to subsidized voyages. Does the Senator propose to change that in the appropriation bill, too?

Mr. MAGNUSON. We tried to change it, but the conference committee would not accept the change.

Under the present law the subsidized operator can get a construction subsidy. The nonsubsidized operator has no way of even setting up a reserve fund, whereas, with respect to a subsidized operator, it is mandatory that he set up a reserve fund out of profits. The nonsubsidized operator is getting along all right now because of the fact that ships are available. But if we do not give the non-subsidized operators an incentive to build ships, when the block obsolescence comes along it will be only the subsidized operators who can afford to build ships. The others will go out of business, because they cannot compete.

That is why we want to extend the program. I still say that the Department of Commerce is not against the principle of the bill. It merely says, in effect, as I interpret its language—and I have had some private conversations—"Perhaps such ships would not be built now anyway. We like to keep our subsidized operators going, because we have a governmental interest in them."

I think that is the wrong way to build an adequate, decent American merchant marine. I say that the Department is not opposed to the plan. I do not know how many operators would take advantage of it. As it is now, the subsidized operators get their construction subsidy anyway. The Maritime Board will establish some standards. I do not suppose that the Senator from South Dakota or I could obtain a ship-construction subsidy if we proposed to build a ship to do some rum-running off the coast of Mexico, or if we intended to use it for fishing purposes, or to supply a private operation offshore, or something of that kind.

I would be glad to agree to an amendment which would provide further standards, if that would satisfy the Senator from South Dakota, or to establish higher standards. I thought we had placed in the bill fairly good general standards for the Board to add to and to work by.

Mr. CASE. Mr. President, if the Senator from Washington will yield for a suggestion, why not place in the bill a requirement that some purpose must be served by the granting of the construction subsidies? Why not require a showing satisfactory to the Secretary, that the building of the vessel would serve a need?

Mr. MAGNUSON. Let me ask the Senator a question along that line. We now prescribe, first, that the vessel must be in foreign competition, with the exception of the Great Lakes traffic; secondly, we provide that the plans and

specifications must call for a new vessel which will meet the requirements of foreign commerce, and will aid in the promotion and development of such commerce, and be suitable for use by the United States for national defense, or for military purposes in time of national emergency. In other words, the applicant would have to prove to the Maritime Board that he would build the kind of ship which could be used for that purpose, namely, that it would have sufficient speed, probably twin shafts, probably sufficient gun mounts, and radar, which would make it suitable for national defense. No application could be approved unless:

(2) The applicant possesses the ability, experience, financial resources, and other qualifications necessary to enable it to operate and maintain the proposed new vessels.

I believe that is a good requirement.

(3) The granting of the aid applied for is reasonably calculated to replace worn-out or obsolete tonnage with new and modern ships, or otherwise to carry out effectively the purposes and policy of this act.

In other words, the applicant would have to show that he is trying to replace worn-out tonnage with new and modern ships.

I would be glad to accept a suggestion as to how we could make the provisions stronger than they are already in the bill. I do not know what we could do about it. It seems to me the bill covers the subject very well.

Mr. CASE. Let me ask a further question: Would the construction-differential subsidy here proposed automatically make a shipping company eligible for an operation-differential subsidy?

Mr. MAGNUSON. No.

Mr. CASE. What else would a company have to do?

Mr. MAGNUSON. It would have to become a subsidized line. Only subsidized lines get operation-differential subsidies. Let me cite an example. Suppose steamship company "A," not a subsidized line, which operates between Miami and Venezuela, wanted to build a new ship for that trade. They could not get an operation-differential subsidy unless they were subsidized. It has nothing to do with this bill at all.

Mr. CASE. What assurance is there that a vessel would stay in the ownership of a United States company?

Mr. MAGNUSON. The Senator from South Dakota will recall that the Senate passed a bill about 2 weeks ago which carries such a provision. Of course, so long as they had a construction subsidy the Maritime Board would have control of the ship, and the ship would have to fly the American flag. That is mandatory. We passed a bill which prohibited transfer to Panamanian or other foreign registry. The bill is in the House. The House is about ready to pass it.

Mr. CASE. Why would it not be a good thing to tie that provision into this bill, to make certain that vessels are retained under United States registry?

Mr. MAGNUSON. I would be glad to add such a provision to the bill, because that is one thing I have been advocating for a long time.

Mr. CASE. At least that should be done. It would assure us that after we had given a company a subsidy it would not be used to build a ship and then transfer it to a foreign registry.

Mr. MAGNUSON. I may say to the Senator from South Dakota that paragraph (a) provides:

Any citizen of the United States may make application to the Commission for a construction-differential subsidy to aid in the construction of a new vessel to be used in the foreign commerce of the United States.

Mr. CASE. That is before they get the subsidy.

Mr. MAGNUSON. They would not get a construction-differential subsidy unless they agreed to use the vessel in the foreign commerce of the United States as an American-flag vessel.

Mr. CASE. Suppose they wanted to register the vessel under the Panamanian flag, as some Standard Oil vessels have been registered under the Panamanian flag, or as was the case of some vessels which were bought by Greek operators?

Mr. MAGNUSON. Under the bill which the Senate has passed, such a transfer could not be made.

Mr. CASE. That is under the bill which the Senate passed. The Senator from Washington has no guaranty that the bill will be passed by the House.

Mr. MAGNUSON. We could put such a provision into the pending bill. I believe it would be better to put such a provision into a separate bill. I can almost guarantee that the House will pass the bill. I understand it is ready to pass it. I know that if it is passed, it will be sent to the President and become law long before this bill becomes law.

Mr. WHERRY. Mr. President, will the Senator yield?

Mr. MAGNUSON. Yes.

Mr. WHERRY. If we give a ship away, it certainly will fly the flag of the country to which it is given.

Mr. MAGNUSON. Yes.

Mr. WHERRY. So there is no tying up the proposed provision with that kind of procedure. Is not that right?

Mr. MAGNUSON. That is right.

Mr. WHERRY. A few days ago the Senate considered the transferring of 24 ships to foreign countries.

Mr. MAGNUSON. They were naval vessels.

Mr. WHERRY. They were naval vessels; yes.

My inquiry has nothing to do with a construction subsidy. However, we are depleting our supply of ships. I should like to ask the distinguished Senator from Washington, if he knows, how many ships we have given away, in aid, to foreign countries, in the past 2 or 3 years.

Mr. MAGNUSON. We have not given any ships away. Under the old Lend-Lease Act, we did give some ships away. I do not have the figures before me. Some ships were even given to Russia. Since the expiration of the Lend-Lease Act, and since the termination of World War II, we have sold surplus ships. I see on the floor of the Senate former Senator Radcliffe, of Maryland. He is familiar with the facts. Since the end of

the Lend-Lease Act, that procedure has been closed out. Under the ships sales program, we have sold 1,189 ships.

Mr. WHERRY. For how much money were they sold?

Mr. MAGNUSON. The formula laid down called for a 25 percent down payment. Out of operational returns the payments ran as high as 50 percent of the wartime construction cost. We sold 1,189 ships to foreign countries, and we sold approximately 862 ships to domestic operators. From those sales we received approximately \$2,100,000,000. I do not have the breakdown or the exact amount. It was 41.7 percent of the wartime construction cost of the ships.

Mr. WHERRY. Mr. President, I appreciate the statement of the Senator from Washington. I wish he would supply the figures for the RECORD. The Select Committee on Small Business at one time was very much interested in prohibiting the transportation of pipe for pipeline construction in Saudi Arabia, on the theory that we needed the pipe in this country in order to increase our oil production. At that time there must have been 20 or 25 regular tankers being used to transport the oil from Saudi Arabia, through the Suez Canal, to the Mediterranean and Western Europe.

Not only did we furnish the short-supply pipe to build the carrying line, but we sold additional tankers to foreign countries for 10 percent of their original cost.

Mr. MAGNUSON. Oh, no.

Mr. WHERRY. I am quite sure it was 10 percent.

Mr. MAGNUSON. I do not know how it could be 10 percent under the Ship Sales Act.

Mr. WHERRY. The tanker sales I refer to were made by the Maritime Commission.

Mr. MAGNUSON. We passed the Ship Sales Act approximately 100 days ago. In the Ship Sales Act we set up the formula.

Mr. WHERRY. Could that formula have applied to naval vessels?

Mr. MAGNUSON. No, it did not apply to naval vessels. I think I know what the Senator has in mind. It does not apply to the merchant marine. The vessels which were sold were ones the Navy or the Army had declared to be surplus.

Mr. WHERRY. Were there any merchant vessels included in those sales?

Mr. MAGNUSON. They owned some merchant vessels.

Mr. WHERRY. Did the Navy own them?

Mr. MAGNUSON. They may have owned some tankers.

Mr. WHERRY. The tankers to which I refer were disposed of by the Maritime Commission in late 1947 or early in 1948. As I remember, 83 out of 100 tankers disposed of were sold for operation under foreign flags; most of the tankers were to be used for oil transportation in the Near East trade. Moreover, the 83 tankers were sold foreign, when applications were on file with the Maritime Commission from American operators who wanted to buy them.

That is not all. Within 6 months after the sale of these tankers, a request was

made before the Committee on Appropriations for funds with which to build more tankers of substantially the same type we had sold.

Mr. President, I should like to know what the answer is to that. The point I make is probably aside from the direct issue of this legislation, but it has an important bearing. What I should like to know is: Are we depleting our supply of vessels by giving them away, and then do we turn right around and through construction-differential subsidies rebuild the same ships we have given away, or for which we have received only a small percentage of their cost.

Mr. MAGNUSON. It could be possible in the case of other departments, such as the Army or the Navy; perhaps they had some merchant ships which they took over during the war and did not later return to the merchant marine.

Mr. WHERRY. These tankers were American built; we owned them. They were plying between Louisiana and the Gulf—and Baltimore and New York. However, the Maritime Commission took them out of that service. Of course, the theory was that we had to furnish oil to Europe anyway, and we might just as well give the European countries the tankers and let them carry the oil from Saudi Arabia.

Mr. MAGNUSON. I do not know about that; but the ships which were sold were sold under the Ships Sales Act formula. Furthermore, we have not given away any ships under the Ship Sales Act. The Maritime Administration has adhered for many months to a policy of no foreign sales.

The ships which are left now are only Liberty ships.

The purpose of this measure is that when all of these ships become obsolescent, there will be some incentive for United States operators to build some good ships and have them on the seas.

Mr. WHERRY. The question of obsolescence, in my opinion, is a debatable one. Certainly we have given away ships which were useful, and we might be much better off if we had kept those ships for our own merchant marine or our own Navy.

Mr. MAGNUSON. We could not use some of those ships.

Mr. WILLIAMS. Mr. President, will the Senator yield?

Mr. WHERRY. I yield.

Mr. WILLIAMS. Since World War II, under the so-called Ship Sales Act, a large percentage of the ships in our merchant marine have been disposed of at an insignificant fraction of their cost. I have before me some figures which bear on that point. I obtained these figures from the Maritime Administration. The figures show that under the Ship Sales Act, we have sold 1,113 vessels to foreign operators. Those vessels cost the taxpayers of the United States \$2,394,276,350, and we sold them for \$923,304,169; so on the sale of those ships we realized a net loss of \$1,460,972,181.

That loss has nothing whatever to do with the subsidies which indirectly have been paid under the Marshall plan and the other foreign-aid programs for the

operation of ships, but that loss is a direct loss so far as the taxpayers of the United States are concerned.

I think it might be well to have those figures inserted in the RECORD at this point, and also to insert a list of the sales of the ships by countries.

Mr. WHERRY. Yes, that is the kind of information I have been trying to obtain. So I am glad to yield to the

Senator, to permit him to request the insertion of that list into the RECORD.

Mr. WILLIAMS. Mr. President, I ask unanimous consent to have inserted at this point in the RECORD a list of the sales of ships to foreign countries, under the 1946 act.

There being no objection, the list was ordered to be printed in the RECORD, as follows:

Summary of sales of ships for foreign flag registry and operation

Country	Number of ships purchased	Total construction cost	Net sales price	Loss to United States
Argentina.....	24	\$55,091,365	\$21,329,443	\$33,761,920
Belgium.....	15	38,207,713	13,736,131	24,471,582
Brazil.....	12	25,622,547	8,324,184	17,298,363
Canada.....	8	23,600,066	13,775,384	9,824,682
Chile.....	6	17,673,249	5,218,638	12,454,611
China.....	33	67,463,328	20,636,428	46,826,900
Colombia.....	8	17,862,312	5,549,456	12,312,856
Cuba.....	4	7,856,843	2,775,448	5,081,395
Denmark.....	19	40,631,423	13,952,360	26,679,063
Egypt.....	2	6,665,002	1,825,718	4,839,284
Finland.....	3	4,599,360	1,557,829	3,041,531
France.....	98	203,705,245	74,769,350	128,935,895
Greece.....	107	196,942,004	66,364,643	130,577,361
Honduras.....	23	41,770,113	12,973,151	28,796,962
Iceland.....	1	1,828,062	693,862	1,134,200
India.....	15	33,890,333	10,933,140	22,957,193
Iran.....	1	1,788,590	544,506	1,244,084
Italy.....	123	242,311,010	87,150,440	155,160,570
Netherlands.....	84	187,595,855	70,266,773	117,329,082
New Zealand.....	2	4,745,603	1,825,718	2,919,885
Nicaragua.....	2	2,264,360	937,634	1,326,726
Norway.....	102	259,526,782	87,122,245	172,404,537
Pakistan.....	1	1,788,590	544,506	1,244,084
Panama.....	152	370,987,190	171,161,739	199,825,451
Peru.....	8	17,153,684	5,471,396	11,682,288
Philippine Islands.....	6	13,147,868	4,601,166	8,546,702
Poland.....	1	3,252,895	1,005,431	2,247,464
Portugal.....	3	3,620,395	1,406,451	2,213,944
South Africa.....	9	23,137,647	7,835,331	15,302,316
Sweden.....	6	13,183,084	3,864,460	9,318,624
Turkey.....	10	22,639,988	8,122,786	14,517,202
United Kingdom.....	218	419,111,279	190,026,880	229,084,399
Uruguay.....	6	12,910,653	6,114,523	6,796,130
Venezuela.....	1	1,701,282	887,019	814,263
Total.....	1,113	2,384,276,350	923,304,169	1,460,972,181

Mr. MAGNUSON. Mr. President, I later shall ask unanimous consent to have inserted in the RECORD a table which is entirely different. I do not know which one is right and which is wrong. However, I have a table which was given to me, not by the Maritime Administration, but by the United States Shipping Board, which is the statistical part of the shipping industry. This table is entirely different from the one just submitted by the Senator from Delaware. So let us submit both of them and see which one is right and which one is wrong.

Mr. WILLIAMS. Mr. President, I am glad to have both tables printed in the RECORD, because if there is a difference, we, as taxpayers, have a right to know what the correct amount is.

Mr. MAGNUSON. Of course, we have sold ships abroad. I understand that the number is 1,189. The figure stated by the Senator from Delaware is a little smaller than that.

Mr. WILLIAMS. Yes; the figure I have is 1,113.

Mr. MAGNUSON. But we have stopped those sales.

Mr. WILLIAMS. Yes; we stopped them in January of this year.

Mr. WHERRY. Did we stop them because we ran out of ships?

Mr. MAGNUSON. No; we have all kinds of ships.

Mr. WHERRY. So that is the answer, namely, that we have all kinds of ships. Yet it is proposed that we provide a

differential subsidy for the construction of more ships.

I should like to have the Senator from Washington to listen to what I am about to say, because I know he is an expert on shipping legislation.

By means of shipbuilding programs in foreign countries, sponsored by Marshall plan dollars, are we not transferring construction jobs from the United States to foreign countries and at the same time building competition for our merchant marine in foreign trade? In that way, foreign labor, which is much cheaper than labor in the United States, is undercutting American labor in a shipbuilding program being financed with American taxpayers' dollars. When these ships are built in foreign countries, using foreign labor, certainly jobs are being taken away from American labor; the men in this country would otherwise be building the ships and they should be building them if we are going to care for the welfare of all segments of our economy. Is not that true?

Mr. MAGNUSON. There is no question about that.

Mr. WHERRY. The Senator from Delaware [Mr. WILLIAMS] and the Senator from Washington [Mr. MAGNUSON] are well acquainted with the legislation in this field. I think it would be a great service to the Senate and to the American people if the payments which have been made and the costs which have been incurred in connection with various ship

transactions were made known generally, covering the transactions over the past 4 years, going back to the time when the Ship Sales Act was passed.

I remember that measure was jointly sponsored by former Senator Radcliffe, of Maryland, and the Senator from Washington [Mr. MAGNUSON]. I should like to know what amount has been paid out in construction and operation subsidies and what we have obtained for those ships that have been disposed of.

Only 7 of the 745 ships called for under the Marshall plan ship construction program are being built in the United States. I should like to know how much contribution we are making by that program to the economy of foreign countries. I should like to know what has been the complete subsidy not only for the construction of the ships, but also for the operation of the ships, during the past 4 years. In short, I should like to know how much this program both abroad and at home is costing the taxpayers of the United States.

Mr. WILLIAMS. Mr. President, I too, have been trying to find out what the over-all cost of the subsidies is. However, so far as the loss incurred on the sales of ships since 1946 is concerned, that figure is available. We have lost \$1,460,972,181 on the ships we have sold to foreign countries. In addition, we have disposed of ships to domestic ship owners, who today wish to be subsidized in their operations; and the loss incurred by the United States in connection with the sales of ships to United States operators is \$1,380,642,183.

I hold in my hand a document, printed under date of April 1951—and the figures were compiled by the Maritime Administration—in which each ship is listed by name and by country, in the case of foreign sales; and in the case of sales to United States citizens, the United States company which purchased the ship is listed. In this document the cost of each ship is also listed. So the information is available.

Mr. MAGNUSON. Mr. President, if the Senator from Delaware is talking about operating subsidies—

Mr. WILLIAMS. No, I did not refer to operating subsidies. I refer to the net loss in connection with the sale of the ships.

Mr. MAGNUSON. Mr. President, let us be fair about this matter. The Senator from Delaware was not here at that time. Perhaps he should have been.

However, because between World War I and World War II we did not do what I think we are trying to do now, at the beginning of World War II we found ourselves without a merchant marine. Therefore we had to build very quickly a huge merchant marine as a fourth arm of our defense. That program cost us a great deal of money. After the war we found ourselves with all those ships on our hands. In my opinion if between World War I and World War II we had done some of the things which I think we are trying to do today, we would not have incurred the tremendous cost for all those ships, and we would not have had all those ships in the hands of the Government. After the war approximately 6,000 ships, as I recall, were in

the hands of the Government. The question was what to do with them. The private merchant marine had been virtually wrecked during the war, and we had to have some way of disposing of those ships or selling them. We spent weeks taking testimony in regard to how to sell the ships. Finally we developed a formula, which we enacted into law. The Senator from Nebraska was here at that time. That formula provides for the sale of the ships. Certainly it was wise to sell them, for, after all, it costs a considerable amount of money to maintain a ship even if it is idle.

Of course we lost money in that process. However, the recovery in the case of the sale of surplus electronic devices was only 3 percent, and the recovery in the case of the sale of surplus airplanes was only 6 percent. So the merchant marine has the best record of any, so far as recovery from the sale of surplus articles or commodities is concerned.

So far as the formula is concerned, if we had not such a formula, not a single surplus ship would have been sold. The Senator knows that to be so.

Mr. WILLIAMS. Mr. President, will the Senator from Nebraska yield?

Mr. WHERRY. I have yielded. I will yield again, because I think the facts should be set forth. Then I shall be glad to yield to the Senator from Nevada [Mr. MALONE], if he will be patient with me.

Mr. WILLIAMS. I merely want to point out to the Senator from Washington that what he said is partially true.

Mr. MAGNUSON. Partially true?

Mr. WILLIAMS. Just a moment. We had a large number of ships after World War II, and perhaps, not foreseeing the outbreak of world war III, I can understand why some of the ships would be sold. I am merely putting this in the RECORD in order that we may know what actually happened. But I call his attention particularly to one specific sale, respecting which he stood on the floor of the Senate in October last year, after the outbreak of the Korean War, advocating a continuation of the sale of ships, particularly 10 ships, to the Great Lakes shipping industry, at a price of about \$100,000 apiece—ships which cost us nearly \$7,000,000 or \$8,000,000 apiece to construct, ships which had never been used at all, new ships. We sold them, or we practically gave them away, following the outbreak of the Korean War. Today we are reconstructing identical ships, at the cost to the taxpayers. There is no justification for that having happened following the outbreak of the Korean War.

Mr. MALONE and Mr. MAGNUSON addressed the Chair.

The PRESIDING OFFICER. Does the Senator from Nebraska yield, and if so, to whom?

Mr. WHERRY. I did not want the floor, but it seems to me that I have it, anyway.

Mr. MAGNUSON. Perhaps the Senator should act as arbitrator.

Mr. WHERRY. If the Senator from Washington will permit me to do so, I would like to yield first to the Senator

from Nevada, who has been standing for a long time. Following that, I shall be glad to yield to the Senator from Washington.

Mr. MALONE. Mr. President, I should like to hark back a few days, to August 16, on which date there was under consideration by the Senate, a bill introduced, I believe, by the Senator from Wyoming [Mr. HUNT].

Mr. WHERRY. The bill had reference to the transfer of 24 naval vessels, did it not?

Mr. MALONE. Yes; it had reference to the sale of 23 naval vessels, which were listed.

Mr. WHERRY. I would not exactly call it a sale, since we were giving away 15 of them, and, for the others we were to receive but 10 percent of their original cost.

Mr. MALONE. The debate which ensued showed that it had been our policy all along to give away these ships. The bill was simply following out a policy, a policy of which the American people are fast tiring. The junior Senator from Nevada placed in the RECORD a review of a report written by the "best brains of Britain," to the effect that very little sacrifices in the way of social services were going to be experienced by France and England in connection with rearming, "since the raw materials, food, and war supplies can be had in large quantities free from the United States." Over a period of about 15 years, we have so acted that these countries are trained to sit like robins in the nest, with their mouths open, not trying to help themselves. They wait for the raw materials and the war supplies, and, now, the coming of our men to Europe and to Asia, and everywhere else, to fight.

Mr. WHERRY. That is correct.

Mr. MALONE. The junior Senator from Nevada thinks it is time we called a halt.

I have not as yet made up my mind how to vote on the pending bill, because it brings in another principle in connection with the merchant marine of the United States; but it is time to call a halt on giving away the property of the United States. This giving away has been by means of a hoax on the American people, the greatest hoax ever perpetrated on a trusting people, namely, that "the foreign countries do not have dollars." Mr. President, my position is that all we have to do is to appraise these vessels, accept the foreign countries' own money, and put it in a fund with which we could then buy the materials we may need. We could buy what we want with pounds in 58 different countries, from South Africa to Australia. We could buy anything they have.

Mr. President, what has been happening to us is really a form of piracy. In other words, nearly everyone is living off the American taxpayer. Taxpayers in my State of Nevada are getting very tired of it, I may say to the minority leader. I think my State is an average State when it comes to public opinion. I have recently been home. They do not like what has been going on.

Mr. WHERRY. Mr. President, I want to surrender the floor, but I should like

once again to emphasize what I said at the beginning of this discussion. I admit that what I have said, while germane, does not directly affect this bill, because the bill provides for a price differential for the construction of new merchant vessels which will ply in foreign trade; but, indirectly, what I have said does affect this bill, because we are furnishing Marshall plan dollars for the creation of foreign competition and we are selling ships to foreign countries, depleting our existing merchant marine.

The distinguished Senator from Washington has stated that many of these ships are obsolete and that they could not be sold for the price asked. I think that is true, but I want to point out to the Senator from Nevada that we are now involved in a world-wide ship construction program, made possible by Marshall plan dollars. The total number of vessels being built, as shown by page 3 of the report, is 935. It is a world-wide program.

Mr. MALONE. That is not the number we sold.

Mr. WHERRY. In the United States we are building only 7 merchant vessels; the Marshall-plan countries are building 745 ships which will compete with our merchant marine. I have tried to obtain the figures—possibly the Senator from Washington can get them—showing the contribution which we are making. Of course, I appreciate that he would be able to ascertain that we were contributing only so many dollars. I want to know what the billions of ECA dollars have created in the way of counterpart funds in the Marshall-plan countries which are constructing ships. In my judgment, the dollars which have left this country have created enough counterpart funds to enable each of the foreign countries to build all the ships they will ever need.

Mr. MALONE. That is correct.

Mr. President, will the Senator yield?

Mr. WHERRY. I will yield in a moment. I desire to point out that England will have 245 new ships, not ships such as we are sacrificing because of their obsolescence, but completely new ships which will ply the seas in foreign trade in competition with our merchant marine. They will compete with the ships constructed on the differential formula which we are trying to get private industry to undertake in this country. We are simply pyramiding our expenditures. First, we give money and materials to the Marshall plan countries for building new ships; and then we subsidize the sale of existing merchant vessels at far below cost; then we have to subsidize a whole new merchant-marine construction program. Where are we ever going to stop? I now yield to the Senator from Nevada.

Mr. MALONE. I should like to say to the junior Senator from Nebraska that this carries out the policy of the State Department, which seems to be that America is to furnish all of the troops in Europe. Now, it is 400,000. It was six divisions. It will be 1,000,000 before we can turn around, as it was in World War II, when we furnished 73 percent of the troops, after our allies' solemn statement to the effect that they wanted no American troops. In Korea,

we furnished about 90 percent of the troops.

I should like to point out what the Navy says regarding the transfer of these ships:

Although it has been emphasized by responsible authorities in the Navy Department that there is a global shortage of vessels suitable for the antisubmarine warfare, the Joint Chiefs of Staff do not feel that the transfers to be made authorized by the bill will result in these 24 vessels being lost to the United States Navy as a part of the global enterprise. Mutual defense agreements with the responsible nations are in existence and the Joint Chiefs of Staff feel that the effectiveness of these vessels in antisubmarine warfare will be the greatest if the vessels are transferred as contemplated in the pending bill.

In other words, Mr. President, it is contemplated by the general over-all plan that, piecemeal, we are to build all the vessels, we are to build the entire Navy and furnish the fighting men, and the equipment, we are to build their industrial plants, and we are then to be insulted by Great Britain, as has occurred within the past 3 or 4 days.

Britain defies us. She is going to trade with Russia and with the iron-curtain countries, regardless of what we do or say. She is going to furnish them the ball bearings and the tool steel and the tools with which to build war materials. She is going to furnish them to Russia, as reported by the press. Incidentally, Mr. President, the press watches very closely; the reporters have been doing a very good job in reporting this news. According to the press, Great Britain has been complaining, since we started bringing the matter up in debate on the Senate floor, within the past 2 or 3 months, that iron-curtain countries are not getting the materials they need. Need for what, Mr. President? Need to consolidate their gains, and to prepare for war? That is exactly the point of the Kem-Wherry-Malone resolution, that if we should not furnish them the materials, they would lose their eastern iron-curtain countries. Is that not true?

Mr. WHERRY. That is correct.

Mr. MALONE. Now, if we are to be the arsenal of Sovietism, as well as of the democracies, supplying the food and the materials, raising the living standards within the iron-curtain countries, the Soviets will be able to consolidate their gains in Communist China. England has defied us, stepping up her shipments to Russia, sending four times the amount of rubber which she was sending heretofore.

There is also a little quirk in the trade agreement which Great Britain has just made with Russia, to the effect that Russia can withhold timber and other supplies, provided they are not receiving sufficient rubber. I hope to get the wording of the agreement in a few days.

Mr. President, Great Britain is telling us to our face that we do not dare to turn down whatever they ask for, and that they are going to continue to send materials to Russia.

Mr. WHERRY. That is certainly the way it sounds. I have come to the conclusion that the trouble is with the administration. If we cannot get better

administration of a statute, no matter what laws we pass, they will be violated. Certainly the Kem-Wherry amendment did not mean that the President could select what nations he wished to except, and let them continue their business with Russia and send strategic materials behind the iron curtain, under the theory that it was in defense of the United States to permit such interchange of trade.

Mr. MALONE. In 1948 the junior Senator from Nevada put into the CONGRESSIONAL RECORD the first trade agreement made between England and Russia, and he stood on the floor of the Senate with tears in his eyes, saying we would arm Russia if we went through with the deal. In view of that, and subsequent lists of trade treaties which I entered in the RECORD, the Senate cannot say it did not have information. From that time up to 1951, all the trade treaties which the 16 Marshall plan nations have made with Russia to help Russia fight world war III have been put in the RECORD. The Senate passed bills appropriating \$17,000,000,000 during 5 years, and then added to the Marshall plan, or the ECA, Export-Import Bank loans and World Bank loans amounting to eight or nine billion dollars every year, money which is absolutely out of pocket. We receive nothing in return.

Furthermore, India puts an embargo on manganese. A representative of the Gold Coast was here recently. He finally got away for a little while from the British Embassy attaché and told me this: "We cannot sell you manganese. We have to sell it to the British, and they will sell it to you."

Mr. President, this is not the time to review all the manipulations of currency changes, embargoes, and machinations of the quota system, which have victimized us.

England now defies us openly, saying: "We are going to arm the enemy. What are you going to do about it?"

Mr. WHERRY. Mr. President, I think the Senator from Nevada should be commended for bringing to light the provisions of the reciprocal trade agreements and their effect, together with other agreements between ECA countries and Russia. He has rendered a great service to the American people. The Senate knows about it. It has been put on notice many times by the addresses of the distinguished Senator from Nevada. I say, again, it is a matter of poor administration.

Mr. President, unless the Senator from South Dakota wants me to yield, I shall be glad to yield the floor.

Mr. CASE. I wanted to ask the Senator a question.

Does the Senator from Nebraska know whether the ships which will be built will be available to the United States for military purposes in time of war?

Mr. WHERRY. No; I do not. I think that is a very good question. As I understand, the Senator from Washington is in agreement with what the Senator is attempting to do to maintain control of the vessels so far as possible.

Mr. CASE. The No. 1 requirement for favorable consideration of an ap-

plication is found in paragraph (a) of the first section of the pending bill. I read:

The plans and specifications call for a new vessel which will meet the requirements of the foreign commerce of the United States, will aid in the promotion and development of such commerce, and be suitable for use by the United States for national defense or military purposes in time of war or national emergency.

The question which I addressed to the Senator from Nebraska was whether the ships which are being built by other nations meet the last requirement, that they will be suitable for use by the United States for national defense and military purposes in time of war or national emergency.

Mr. MAGNUSON. Not all, but in the main, particularly the ships which are being built in Scandinavian countries. The British and the French are building ships for their local intercoastal water trade, but the bulk of them will be available.

Mr. CASE. It seems to me that as to ships of foreign documentation we should require of them as much reciprocally as we do with respect to the domestically documented ships.

Mr. MAGNUSON. We are about to enter into a pool agreement such as existed in World War II, in an effort to achieve that purpose. I agree with the Senator that we cannot fully achieve it. We are about to hold hearings on a shipwarrants bill which would allow the warranting of ships in an effort to make an international agreement. The preliminaries are now being entered into.

EXHIBITION OF FILM SHOWING FLOOD DAMAGE IN THE MIDDLE WEST—LETTER FROM THE PRESIDENT

The VICE PRESIDENT. The Chair lays before the Senate a letter from the President, which the Secretary will read. The legislative clerk read as follows:

THE WHITE HOUSE,
Washington, August 21, 1951.

The honorable the VICE PRESIDENT OF THE UNITED STATES,
Washington, D. C.

DEAR MR. VICE PRESIDENT: As you know, the recent floods in some parts of the Middle West have wrought unprecedented damage. It is difficult to realize the magnitude of this disaster without actually seeing the flood area. However, the Office of Defense Mobilization has had a film made by the Army Signal Corps in an effort to make this information available to persons who cannot visit the area. This film runs for about 40 minutes, and I am told that it vividly portrays the effects of the flood.

I would like to invite the Members of the Senate to join with me in seeing this film in the auditorium of the Interior Department at 8:30 p. m., Wednesday, August 22. I believe that the facilities are adequate for each Senator to bring a guest if he cares to do so. I will appreciate it if you will arrange to have the tickets distributed tomorrow morning to those Senators who are able to come.

Sincerely yours,

HARRY S. TRUMAN.

The VICE PRESIDENT. The Chair suggests that he will be glad to distribute the tickets tomorrow and will also reiterate the invitation tomorrow in order that as many Senators as possible may attend.

AMENDMENT OF THE MERCHANT MARINE ACT, 1936

The Senate resumed the consideration of the bill (S. 241) to amend the Merchant Marine Act, 1936, as amended, to further promote the development and maintenance of the American merchant marine, and for other purposes.

Mr. MAGNUSON. Mr. President, I merely wish to add that plans are interchanged a great deal. I know we interchange them with Great Britain. The dry cargo-ships they are building are pretty much the same type and speed and have the same facilities as the dry-cargo ships we intend to build.

Mr. CASE. Mr. President, will the Senator yield further?

Mr. MAGNUSON. I yield.

Mr. CASE. The Senator from Washington showed me the Merchant Marine Act of 1936, and with the permission of the Senate I should like to place in the RECORD at this point a sentence from section 503, because it is pertinent to the colloquy which we had a little while ago concerning the documentation of these ships:

The vessel shall remain documented under the laws of the United States for not less than 20 years, or so long as there remains due the United States any principal or interest on account of the purchase price, whichever is the longer period.

I agree with the Senator from Washington that that probably gives us the protection which we were contemplating as being necessary when we were discussing the recent passage by the Senate of Senate bill 1704.

Mr. President, I ask unanimous consent to place in the RECORD at this point paragraph (a) of section 501 of the Merchant Marine Act of 1936, which is the paragraph that would be amended by section 1 of the pending bill, in order that Senators may have it available for convenient reference and see the changes which would be made.

There being no objection, the paragraph was ordered to be printed in the RECORD, as follows:

SEC. 501. (a) Any citizen of the United States may make application to the Commission for a construction-differential subsidy to aid in the construction of a new vessel, to be used on a service, route, or line in the foreign commerce of the United States, determined to be essential under section 211 of this act. No such application shall be approved by the Commission unless it determines that (1) the service, route, or line requires a new vessel of modern and economical design to meet foreign-flag competition and to promote the foreign commerce of the United States; (2) the plans and specifications call for a new vessel which will meet the needs of the service, route, or line, and the requirements of commerce; (3) the applicant possesses the ability, experience, financial resources, and other qualifications necessary to enable it to operate and maintain the proposed new vessel in such service, or on such route or line, and to maintain and continue adequate service on said route or line, including replacement of worn-out or obsolete tonnage with new and modern

ships; and (4) the granting of the aid applied for is reasonably calculated to carry out effectively the purposes and policy of this act.

Mr. MAGNUSON. Mr. President, I do not want to burden the Senate much longer, because I desire to get a vote on the bill today. I had intended to, but did not find opportunity, to present to the Senate a statement dealing with the bill. So I ask unanimous consent to place in the body of the RECORD what would have been my opening statement on the bill.

There being no objection, the statement was ordered to be printed in the RECORD, as follows:

STATEMENT BY SENATOR MAGNUSON ON LONG-RANGE SHIPPING BILL, S. 241

The bill we have before us—S. 241—has become widely known as the long-range shipping bill. It represents more than 3 years intensive study by the Merchant Marine Subcommittee of Interstate and Foreign Commerce. It represents the best thinking of all segments of the shipping industry—builders, owners, operators, and labor.

In drafting this bill, the committee has considered recommendations made by the Maritime Administration, Commerce Department, Treasury Department, Bureau of the Budget and the White House itself. We have studied these recommendations and then exercised our own independent judgment as to their validity. Some we have accepted, others we have modified, and a very few we have rejected.

Your committee conducted 33 days of hearings on merchant marine problems. We heard 162 witnesses. The transcript of these hearings constitutes a document of over 1,800 pages. This extensive testimony was boiled down into a report covering 387 pages. That report was filed by the Senate Committee on Interstate and Foreign Commerce the latter part of last year.

Before discussing the bill itself, I think it would be helpful to the Senate to have a brief résumé of the situation a privately owned and privately operated American merchant marine confronts.

First, let me outline in simplest terms, the problem, the objectives we are seeking, and the means we are utilizing in this bill to reach our objectives. We ended World War I with a fleet built to meet that emergency. This experience was repeated in World War II. Every Senator will recall the superhuman effort we made to build ships during World War II. During those hectic days, we built more than 5,000 vessels. Most of this vast armada came off the ways in a 4-year period. They were built almost simultaneously—in consequence they will become obsolete simultaneously.

As a Nation, we cannot afford to permit our merchant marine to become obsolete en bloc. Our own security and international position demand that we replace these vessels in an orderly manner. As a Nation we are dedicated in all industries to the principle of private enterprise. We desire—we insist—that the American merchant marine, like other great American industries, be privately owned and privately operated.

Our merchant marine is in competition with the fleets of other great maritime nations. As I will demonstrate later, each of these nations—England, France, the Scandinavian countries, and others have long maintained a program of incentives to encourage private builders, owners, and operators to provide the ships that carry their flags. In most cases their construction and operating costs are lower than ours.

The problem before the Senate today, therefore, is this: How can we prevent the

merchant marine from becoming obsolete en bloc?

How can our private owners be placed in a position reasonably competitive with that enjoyed by owners in other maritime nations? In short, how can we keep the American flag flying on the high seas?

I ask Senators to keep this problem in mind as the discussion progresses.

This so-called long-range bill is merely an attempt to meet that problem. In simplest terms it seeks to do it by making it possible for shipowners to accumulate, out of earnings, enough money to replace their vessels. The bill provides this encouragement through a system of tax deferment—not tax exemption, but tax deferment—and I underscore deferment.

It permits the shipowner to place a part of his earnings in a reserve fund. The normal tax and the surtax on earnings placed in this fund are deferred.

Under present law nonsubsidized operators are permitted to deposit in the construction reserve fund capital gains items on a tax-deferred basis. The tax-deferred principle, therefore, is already in the law. By capital gains I mean the net proceeds from the sales of vessels and the insurance proceeds from vessels lost. I repeat these funds are deposited on a tax-deferred basis under present law.

In the case of subsidized operators, they are required to deposit capital gains items and earnings in capital reserve, and special reserve funds. Under the 1936 act, it is possible to deposit these funds on a tax exempt basis. However, in closing agreements entered into by the Treasury Department and the operators and approved by congressional committees, in 1947, this principle of tax exemption was changed to tax deferment.

This bill now confirms the Treasury agreement. It provides tax deferment only. If adopted, you will have tax deferment instead of tax exemption—as far as subsidized operators are concerned.

Let me give you an example to illustrate the principle of tax deferment. Let's assume that company XYZ earns \$2,000,000 in 1951, and let's assume that he places \$1,000,000 of this in a reserve fund to apply against acquisition of a new vessel. Under this bill he would pay the excess profits tax, if any, on that \$1,000,000. His normal and surtax on the \$1,000,000, however, would be deferred. If he uses the \$1,000,000 for the intended purpose, the cost of his new vessel for depreciation purposes would be reduced by that amount.

Let's assume his new vessel costs \$3,000,000. He would start depreciating that vessel from a \$2,000,000 rather than the \$3,000,000 figure. Let's assume, however, that he decides not to use the \$1,000,000 for the intended purpose, but decides—due to changed circumstances—to withdraw the \$1,000,000 from the fund. Under the bill he would then have to pay the normal and surtax on the amount at the rates prevailing in the year in which he deposited it.

Under either set of circumstances just outlined, the Government would collect the full tax. In the first assumption, the deferred taxes would be recovered because the owner would be able to deduct a smaller amount for depreciation because he starts with a \$2,000,000 figure rather than \$3,000,000. Under the second assumption the Treasury Department would get the taxes because the owner would have to pay the full rate prevailing as of the date the deposit was made.

We are aware of the tremendous increase in costs. Applied to American-flag shipping, this increase in costs to replace our maritime vessels is approximately \$700 per ton. Most of our ships were acquired at \$100 per ton. The latest figures on the mariner-type ships being constructed by the Government is \$805 per ton.

This tremendous disparity must be made up. When the 1936 act was passed, we recognized that our foreign competitors could build ships for much less than we can. Today the differential is greater than when we adopted the act. Unless we are willing to grant the aid required to meet these tremendous differences, I do not see how we can maintain a modern fleet.

The administration and your committee are in agreement that aid must be continued if we are to have a privately owned merchant fleet. Foreign cost disparity—block obsolescence and replacement costs dictate the necessity for aid. The only basic disagreement is as to the extent of the aid. Your committee is convinced that its program must be adopted. The necessary funds for replacement cannot be available unless the recommendations for tax deferment as approved by the committee, and the extension of construction differential aid to all ships engaged in our foreign trade is made available to American shipping. The other sections of the bill are approved by the administration. They too relate to the over-all problem.

Again, I ask you to keep in mind the problem we confront; namely—block obsolescence of our fleet, the necessity for keeping it in private ownership, and the necessity to be able to compete on a reasonable footing with other maritime nations. All we are trying to do in this bill is to make it possible for private owners to accumulate sufficient funds to maintain the fleet our national security and economic well being demand.

Mr. MAGNUSON. Mr. President, I also ask unanimous consent to place in the body of the RECORD at this point a study by Price, Waterhouse & Co., independent certified public accountants, regarding the tax deferments, and tax benefits that other maritime countries give to their merchant marine. I add to it only my own statement that if anyone thinks that there is a great deal of benefit being given our American merchant marine in foreign competition, they ought to read this study. We are just going mildly down the road in an attempt to keep alive our merchant marine. Other countries not only encourage their merchant marine to a greater extent in order to keep it alive, but in five short years many European countries have almost built it back to its pre-war condition. I think the study will prove interesting to the Senate as a justification for the little we are proposing to do by the pending bill in an effort to stimulate some ship construction. I believe Members of the Senate will be shocked when they read the comparison of the aid given our merchant marine and that given the merchant marine of foreign countries which are in competition with us.

There being no objection, the matter was ordered to be printed in the RECORD, as follows:

APPENDIX E—SUMMARY OF PRINCIPAL AIDS GIVEN BY THE MAJOR FOREIGN MARITIME COUNTRIES TO THEIR NATIONAL SHIPPING INTERESTS

BELGIUM

A. Loans and grants

The minister of merchant marine, according to a law passed August 1948, can obtain the state's guarantee for loans closed by Belgian shipowners with a national credit institute, used to expand the tonnage of the Belgian merchant fleet. These obligations

will amount to \$577,000,000 of which \$22,800,000 is already available.

A law of August 1948, established a ship-owning and shipbuilding fund of \$45,600,000 of which \$4,560,000 a year is to be used to build and purchase vessels by means of grants to shipowners for a period of 10 years.

FRANCE

A. Operating aids

General aid was given under a law of June 1934, in the form of a navigation bounty (per ton day basis) applicable to coastwise or foreign trade in order to offset unfavorable competitive conditions. Almost \$6,000,000 was provided for this purpose for 1935.

This law was extended five times and on the last occasion runs through December 31, 1950.

By law of June 1938, duties on refined petroleum imports were divided among tank ships operating under the French flag.

Under existing agreements, the French Government in 1936 reimbursed four subsidized companies to the extent of \$33,000,000 operating deficit.

Subsidy estimates for the French merchant marine for 1948 amounted to over \$17,000,000.

B. Loans and grants

In the late twenties, contracts were made between the Government and the Credit Foncier (a semi-official credit institute) with the Government guarantee to pay any interest contribution. The interest contribution on the part of the Government was \$220,000 annually between 1928 and 1933. From 1933 to 1936, it was \$201,000 annually. From 1937 to 1940, the grant for interest payment was \$265,000 annually and increased to \$576,000 annually from 1938 through 1941.

In 1938 the French National Office of Liquid Fuels was authorized to grant loans to the French Petroleum Transport Co., of almost \$6,000,000 bearing 2½ percent interest.

ITALY

A. Construction aids

Finmar, a Government owned holding company was formed in 1938 with a capital of \$47,340,000. Finmar took over the stock majority of the four Italian liner companies and financed the construction of ships for the reorganized lines.

A shipbuilding subsidy law was passed in 1938, and the appropriations under the law were as follows: \$2,600,000 for fiscal year 1937-38; \$5,200,000 for each fiscal year 1938-39 to 1946-47; \$2,600,000 for fiscal year 1947-48.

Under the law a bounty up to 50 percent of the import duty on foreign materials was paid for using Italian materials.

Also a construction bounty (amortization contribution) based on inside volume of the ship and on the speed was granted to the operator.

Under a new law passed March, 1949, approximately \$66,000,000 was granted for new construction and modernization.

A construction bounty (amortization contribution) is paid on vessels constructed under the provisions of the law. The construction bounty is based on the inside volume and the speed of the vessel.

In addition the Government makes a supplementary contribution equal to one-sixth of the cost of the vessel upon the date of its entry into service.

B. Operating aids

In 1932, operating subsidies were granted for 1 year to Italian cargo vessels not operating in regular contract services. The basis of the subsidy was calculated according to size, age, and distance sailed. The subsidy was extended each year, 1932 through 1936. The total subsidy for the noncontract services for the 5-year period was \$20,802,500.

C. Loans and grants

The Institute of Naval Credit was authorized in 1933 to issue bonds worth \$13,420,000 at 5 percent, the proceeds to be loaned to Italian shipping companies. The loans were State guaranteed with a fixed interest of 6.8 percent toward which the Government contributed 2.5 percent.

NETHERLANDS

A. Loans and grants

A limited liability company organized for promotion of national shipping interest and commonly called Benas was formed in September 1932.

Full interest on Benas loans was to be paid only if the operating account of the borrower showed a profit. The interest rate was 4½ percent and 5 percent, but only 2½ percent remained due (cumulative) in years when no profits were made.

In 1935 and 1936, in addition to the BENAS loans, the Netherlands Government appropriated over \$10,833,600 to be used as non-interest-bearing credit by shipowners. No security was required. These loans were not redeemed and apparently became gifts to the Netherlands shipowners.

August 1948 the International Bank for Reconstruction and Development loaned four Netherlands steamship companies \$12,000,000 at 2½ percent interest. In addition to the 2½-percent rate, the companies will pay 1 percent commission to the bank and a service charge of one-sixteenth percent of the amount outstanding.

NORWAY

A. Loans and grants

Loans from the state ship fund are guaranteed by the Government, with interest at 5 percent. Loans outstanding March 1937 aggregated approximately \$5,898,000.

The Norwegian Government in July 1936 approved a plan to guarantee loans to shipbuilding yards, totaling approximately \$3,060,207, at 4½ percent interest.

Loans outstanding by the Ship Mortgage Institute totaled \$2,016,000 in 1947, interest at 4½ percent.

SWEDEN

A. Loans and grants

The Swedish ship mortgage fund was established in 1929 to grant loans on Swedish vessels. Loans outstanding on December 31, 1947, of the Swedish ship mortgage fund amounted to \$4,980,600.

UNITED KINGDOM

A. Operating aids

Under the British Shipping Assistance Act of 1935 a subsidy of \$9,803,600 for tramp shipping was provided. The act was extended for a second year, and another \$9,803,600 was granted for tramp voyages in 1936.

B. A 20-year loan of approximately \$13,000,000 with interest at 2½ percent was made to Cunard for the construction of the *Mauretania* and *Lusitania*. No interest was charged while vessels were under construction.

Under the Loans Guaranteed Act 1921-1926, approximately \$96,258,810 was loaned for vessel construction, the average interest rate was 5 percent, 1½ percent below market rate.

Loans guaranteed by the British Government for vessel construction in Northern Ireland totaled approximately \$110,000,000 from 1922 to 1940 at 3½ to 5 percent interest rate.

The British Government purchased \$46,500,000 worth of Cunard White Star Line stock to provide working capital and funds for construction of the *Queens*.

Under the British Shipping (Assistance) bill of 1939, \$12,500,000 was to be granted for shipbuilding. This bill never became law, but the Treasury authorized over \$1,000,000 to be paid as grants to certain operators who

had constructed vessels anticipating the law's passage.

APPENDIX F—COMPARISON OF UNITED STATES AND FOREIGN SHIPOWNERS TAX TREATMENT

Under date of June 7, 1951, Price, Waterhouse & Co., a nationally known firm of public accountants, prepared for one of the federation members a study of the tax situation of shipping companies operating under the laws of various countries. This study was primarily concerned with rates of tax, treatment of capital gains arising through insurance indemnities for sales of fixed assets, depreciation allowances, and other unusual provisions of the laws.

The study dealt with the laws of Panama, Italy, Sweden, Norway, the Netherlands, France, and the United Kingdom. It is summarized briefly as follows:

1. Tax rates in these foreign countries are generally lower than the prevailing United States rates.

2. While capital gain on sales of vessels is taxable here at 25 percent, capital gains on sales of vessels are (a) tax deferred in three of the countries if reinvested in new tonnage and the gain is applied to reduce the book value of the new ship, (b) considered as ordinary income in two countries, and (c) taxed at a lower rate than for ordinary income by the United States.

3. The excess of the insurance indemnity over the book value of a vessel is (a) not taxable in four of the countries if reinvested in new tonnage and the gain is used to reduce the carrying value of the replacement, (b) taxable as ordinary income in Sweden, and (c) not subject to tax in France. While in the United States indemnity received is taxable at 25 percent or deferred if Internal Revenue Code, section 112 (f), relative to involuntary conversion, is availed of and gain is applied to reduce carrying value of replacement.

4. Three of the six countries permit as taxable deduction provisions to establish reserves for anticipated future heavy repair expenses such as periodic classification surveys. In the United States this is on a cash basis.

5. All but two of the countries have some provision for carrying back and/or forward of operating losses. In the United States operating losses can be carried back 1 year and excess carried forward 5 years (unused excess-profits credit carry-over, 1 year back, then 5 years forward).

6. Although in the United States depreciation is on a cost basis with a 20-year life expectancy and with no provision of accelerated depreciation, such is not the case in the foreign countries studied.

The depreciation allowances permitted in foreign countries are considerably more flexible than those available to American-flag fleets and many provisions have the effect of granting accelerated depreciation, an advantage not presently available to American companies. Some of these provisions are noted briefly below:

France and the Netherlands permit the revalorization of assets as described earlier herein.

Norway and Sweden permit the taxpayer to write off in the year of acquisition, or to amortize "overprice," the amount by which actual cost exceeds cost considered to be "normal."

France and Sweden permit as a deduction any depreciation which is booked. Sweden also permits the taxpayer to utilize in a future year any depreciation which has not benefited the company from a tax standpoint.

The United Kingdom permits the taxpayer to write off 40 percent of the cost of a vessel plus normal depreciation in the year of acquisition and to carry forward without time

limit any depreciation which exceeds the profit for the year.

The Netherlands permit a special depreciation allowance equal to 33 1/3 percent of the cost of fixed assets acquired or contracted for between December 31, 1949, and January 1, 1953.

Mr. MAGNUSON. I also ask unanimous consent to have placed in the RECORD at this point a memorandum, with explanatory notes, which I think in a very concise way sets out the differences between the so-called amendments offered by the Senator from Maryland and myself to the bill, and the original bill, as determined by the conferences held with the departments.

The PRESIDING OFFICER (Mr. JOHNSTON of South Carolina in the chair). Without objection, it is so ordered.

The memorandum is as follows:

MEMORANDUM OF THE DIFFERENCES IN PRINCIPLE, MAGNUSON-O'CONOR BILL, S. 241; THE RECOMMENDATIONS OF THE PRESIDENT (BUDGET LETTER, JULY 23, 1951); AND PROPOSED AMENDMENTS BY SENATOR MAGNUSON S. 241 (the long-range shipping bill) is comprised of nine major principles.

1. The President agrees with these principles as follows:

(a) Turn-in provision.
(b) Recomputation of depreciation basis on reconstructed vessels.

(c) Salary limitation.
(d) Construction reserve funds (section 511) may also be used for reconstruction and modernization of vessels including those to be used on the Great Lakes.

2. The President agrees with the following item with minor amendments which will be accepted in the Magnuson amendments.

(e) Single mortgage on certain passenger ships, but minimum gross tonnage to be increased from 7,000 to 10,000 tons; speed from 16 to 18 knots; deletion of \$10,000,000 capital-investment requirement; approval of the Secretary of Defense in lieu of the Secretary of the Navy.

3. The President disagrees with the following item which will be deleted by the Magnuson amendments.

(f) Accelerated depreciation. The President states that for the reasons set forth in the Treasury report it seems unnecessary "to take action at this time."

4. As to the following three principles, the Magnuson amendments will be in addition to or an extension of the President's amendments.

(g) A construction-differential subsidy to aid in the building of a new vessel to be used in the foreign commerce of the United States, other than those to be used on essential trade routes.

The President states (budget letter, July 23, 1951), "it seems wise to defer at this time without prejudice the extension of construction subsidies for vessels other than those to be used on essential trade routes."

The Magnuson amendments will include this principle as necessary to stimulate shipbuilding and shipyard employment, and to give required aid to American vessels in the foreign trade whether or not they have operating contracts.

(h) The President agrees that required deposits in the capital reserve fund will continue to receive full tax deferment. Other deposits by subsidized operators will receive tax deferment as to corporate income tax (but not corporate surtax and excess profits tax). The Magnuson amendments will provide for tax deferment for corporate income

and corporate surtaxes but not for excess profits taxes. Discussions have been held with the Treasury Department and the Magnuson amendments will provide for a proper basis for the computation of excess profits taxes on profits so deposited.

(i) The President's recommendations do not include the right of unsubsidized American shipping to deposit earnings on a tax deferred basis. The Magnuson amendments will however provide for the equal right of unsubsidized American-flag shipping to voluntarily deposit earnings under section 511 into a construction reserve fund with the same tax deferment privilege granted the subsidized operators, provided the funds so deposited are invested or committed as specified in the Act to the construction, reconstruction, modernization or acquisition of American flag ships.

With respect to unsubsidized operators. The accruing depreciation will provide only one-third or less of the funds needed for replacement. Due to cyclical earnings and unreliable dividend history, shipping securities are not attractive to investors. (See New York Stock Exchange record). The unsubsidized American flag vessels, including the domestic operators, have the same problems of plant (ship) replacement as do the subsidized operators. Unless some incentive can be provided for these operators to plow back earnings, it is not evident where the capital will be forthcoming and it can be anticipated that this large segment of the American shipping fleet will decline rather than increase. The Magnuson amendments will provide equal treatment for both classes of operators as to the right to plow back earnings on a tax deferred basis, if invested in new ships as required by the act.

It would seem that if the owners are willing to forego dividends in order to maintain their fleets at the higher replacement costs, the Government can afford to defer immediate tax payment on such voluntary deposits provided the excess-profits taxes thereon are paid at the inception and the corporate income and surtaxes are paid in effect by installments during the life of the property (through reduction of depreciation deductions against gross earnings; hence higher taxable earnings and higher taxes).

It is to be noted that Barbara Wood, the famous British economist, has stated that prior to World War II about 30 percent of industrial earnings were being plowed back into the business to take care of the expanding economic scale and the normal expansion of business. She states that since the war 60 percent of such earnings are being devoted to such purpose and that it is of credit to private enterprise that they are willing to forego the distribution of such profits in order to maintain the financial stability of these enterprises.

EXPLANATORY NOTES.—Under section 607 (h), the Magnuson amendments only carry the President's recommendations one additional step (deferment of corporate surtaxes) while still conforming to the nondeferment of excess-profits taxes. The deferment of only the corporate income tax (26 percent) would not meet the objectives of the act. It would not provide the incentive for the voluntary deposit of earnings and further the noninclusion of such deposits in the depreciable base of the ship into which invested, would amount to a deferment at the prevailing rate for corporate income tax (26 percent), but actual payment on resulting installments at the prevailing rate of the year in which such installments fall due for both income and excess.

Mr. MAGNUSON. Mr. President, I also ask unanimous consent to have printed at this point in the RECORD a telegram from the American Legion.

There being no objection, the telegram was ordered to be printed in the RECORD, as follows:

INDIANAPOLIS, IND., August 18, 1951.
Senator WARREN G. MAGNUSON,
Washington, D. C.:

The American Legion earnestly solicits your support to the early and affirmative action on long-range shipping bill S. 241 in the interest of our national defense.

ERLE COCKE, Jr.,
National Commander.

Mr. MAGNUSON. I also ask unanimous consent to have printed in the RECORD a telegram from the Pacific American Steamship Association.

There being no objection, the telegram was ordered to be printed in the RECORD, as follows:

SAN FRANCISCO, CALIF., August 15, 1951.
Hon. WARREN G. MAGNUSON,
United States Senate,
Washington, D. C.:

S. 241, long-range shipping bill, expected on Senate floor today or tomorrow. This to advise you that American lines this coast, great majority of which members this association, have carefully studied and favor bill, and urge you be present if possible and vote favorably, including amendments which it is expected Senator MAGNUSON will offer. No controversy. All segments industry including labor and management agree and administration satisfied.

ROBERT E. MAYER,
Executive Vice President, Pacific
American Steamship Association.

Mr. MAGNUSON. Mr. President, I should like to read to the Senate, before we vote on the bill, a partial list of organizations that have endorsed the bill: The CIO Maritime Committee; the American Legion; the Veterans of Foreign Wars; the Mississippi Valley Association; the Lake Carriers' Association; the Masters, Mates, and Pilots' Association; the Association of Port Authorities; the Propeller Clubs of America; the Quincy Shipbuilding Committee; the Virginia Peninsular Association; the National Federation of Shipping; several chambers of commerce. In particular, Mr. President, I wish to say that the measure has the very vigorous and active support of all those engaged, particularly the labor unions, in the shipbuilding enterprise. I do not have the letters with me, but will place them in the RECORD tomorrow.

As a matter of fact, Mr. President, I do not know, from looking at the list, just who is against the bill, but one or two Senators may be against it.

The PRESIDING OFFICER. The question is on agreeing to the amendment of the Senator from Delaware [Mr. WILLIAMS] to the amendment in the nature of a substitute, offered by the Senator from Washington for himself and the Senator from Maryland.

Mr. WILLIAMS. I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The Chief Clerk proceeded to call the roll.

Mr. MCFARLAND. Mr. President, I ask unanimous consent that the order

for the quorum call be vacated, and that further proceedings under the call be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The question is on agreeing to the amendment offered by the Senator from Delaware [Mr. WILLIAMS] to the amendment in the nature of a substitute, offered by the Senator from Washington [Mr. MAGNUSON] for himself and the Senator from Maryland [Mr. O'CONOR], to strike out sections 1, 2, and 4 of the amendment in the nature of a substitute. On this question the yeas and nays have been ordered, and the clerk will call the roll.

The Chief Clerk called the roll.

Mr. JOHNSON of Texas. I announce that the Senator from New Mexico [Mr. ANDERSON] is absent by leave of the Senate.

The Senator from Mississippi [Mr. EASTLAND], the Senator from Delaware [Mr. FREAR], the Senator from Arkansas [Mr. FULBRIGHT], the Senator from Iowa [Mr. GILLETTE], the Senator from Missouri [Mr. HENNING], the Senators from West Virginia [Mr. KILGORE and Mr. NEELY], the Senator from Oklahoma [Mr. MONRONEY], the Senator from Montana [Mr. MURRAY], the Senator from Wyoming [Mr. O'MAHONEY], the Senator from Rhode Island [Mr. PASTORE], and the Senator from Virginia [Mr. ROBERTSON] are absent on official business.

I announce that on this vote the Senator from Delaware [Mr. FREAR] is paired with the Senator from Virginia [Mr. ROBERTSON]. If present and voting, the Senator from Delaware would vote "yea," and the Senator from Virginia would vote "nay."

The Senator from South Carolina [Mr. MAYBANK] is unavoidably detained on official business at one of the Government departments, and, if present, would vote "nay."

I announce further that if present and voting, the Senator from West Virginia [Mr. KILGORE] would vote "nay."

Mr. SALTONSTALL. I announce that the Senator from Vermont [Mr. AIKEN] and the Senator from North Dakota [Mr. YOUNG] are absent by leave of the Senate.

The Senator from Maine [Mr. BREWSTER] is absent on official business.

The Senator from New Hampshire [Mr. BRIDGES], the Senator from California [Mr. KNOWLAND], and the Senator from Ohio [Mr. TAFT] are necessarily absent.

The Senator from Oregon [Mr. MORSE] and the Senator from New Hampshire [Mr. TOBEY] are absent because of illness.

The Senator from Nebraska [Mr. BUTLER], the Senator from Maryland [Mr. BUTLER], and the Senator from Wisconsin [Mr. WILEY] are detained on official business.

On this vote the Senator from Vermont [Mr. AIKEN] is paired with the Senator from Maine [Mr. BREWSTER]. If present and voting, the Senator from

Vermont would vote "yea" and the Senator from Maine would vote "nay."

Also, on this vote, the Senator from Maryland [Mr. BUTLER] is paired with the Senator from Nebraska [Mr. BUTLER]. If present and voting, the Senator from Maryland would vote "nay" and the Senator from Nebraska would vote "yea."

The result was announced—yeas 32, nays 39, as follows:

YEAS—32		
Bennett	Flanders	Mundt
Benton	George	Russell
Capehart	Hendrickson	Schoeppel
Carlson	Hickenlooper	Smith, Maine
Case	Jenner	Smith, N. J.
Dirksen	Kem	Stennis
Douglas	Langer	Watkins
Duff	Malone	Welker
Dworshak	Martin	Wherry
Eaton	McClellan	Williams
Ferguson	Millikin	
NAYS—39		
Bricker	Humphrey	McCarthy
Byrd	Hunt	McFarland
Cain	Ives	McKellar
Chavez	Johnson, Colo.	McMahon
Clements	Johnson, Tex.	Moody
Connally	Johnston, S. C.	Nixon
Cordon	Kefauver	O'Connor
Ellender	Kerr	Saltonstall
Green	Lehman	Smathers
Hayden	Lodge	Smith, N. C.
Hill	Long	Sparkman
Hoey	Magnuson	Thye
Holland	McCarran	Underwood

NOT VOTING—25		
Aiken	Gillette	O'Mahoney
Anderson	Hennings	Pastore
Brewster	Kilgore	Robertson
Bridges	Knowland	Taft
Butler, Md.	Maybank	Tobey
Butler, Nebr.	Monroney	Wiley
Eastland	Morse	Young
Frear	Murray	
Fulbright	Neely	

So Mr. WILLIAMS' amendment to the amendment in the nature of a substitute was rejected.

The PRESIDING OFFICER. The question is on agreeing to the amendment in the nature of a substitute offered by the Senator from Washington [Mr. MAGNUSON] on behalf of himself and the Senator from Maryland [Mr. O'CONOR].

The amendment in the nature of a substitute was agreed to.

The PRESIDING OFFICER. The bill is open to further amendment. If there be no further amendment, the question is on the engrossment and third reading of the bill.

The bill was ordered to be engrossed for a third reading, and was read the third time.

Mr. WILLIAMS. Mr. President, there is no use delaying the Senate any longer. I believe the record has been made as to what is being accomplished by this bill. The Senate has voted to extend subsidies to every phase of the merchant marine under the American flag. I am perfectly willing to have the Senate vote on the bill, although I shall vote against it, as I shall also vote against an extension of a special tax exemption to nonsubsidized operators.

The PRESIDING OFFICER. The question is on the final passage of the bill.

The bill (S. 241) was passed.

TEMPORARY APPROPRIATIONS FOR
FISCAL YEAR 1952

Mr. McKELLAR. Mr. President, from the Committee on Appropriations, I report favorably, without amendment, the joint resolution (H. J. Res. 320) amending an act making temporary appropriations for the fiscal year 1952, and for other purposes, and I ask unanimous consent for its immediate consideration.

The PRESIDING OFFICER. Is there objection to the request for the present consideration of the joint resolution?

There being no objection, the Senate proceeded to consider the joint resolution.

Mr. WHERRY. Mr. President, there has been so much confusion in the Chamber that I should like to know just what the Senate is considering at this time.

Mr. McKELLAR. This is a continuing joint resolution, continuing the appropriations for another 30 days.

Mr. WHERRY. This will make the third continuation, will it?

Mr. McKELLAR. Yes. First the appropriations were extended for July, and then for August; and the present request is to extend them for September.

Mr. WHERRY. I thank the distinguished chairman of the committee for the information.

The PRESIDING OFFICER. The question is on the third reading of the joint resolution.

The joint resolution was read the third time and passed.

AMENDMENT OF NATIONAL LABOR
RELATIONS ACT, AS AMENDED

Mr. HUMPHREY. Mr. President, I ask unanimous consent for the immediate consideration of Senate bill 1959, Calendar 607, amending the National Labor Relations Act, as amended.

The PRESIDING OFFICER. The bill will be read by title, for the information of the Senate.

The CHIEF CLERK. A bill (S. 1959) to amend the National Labor Relations Act, as amended, and for other purposes.

The PRESIDING OFFICER. Is there objection to the present consideration of the bill?

Mr. WHERRY. Mr. President, reserving the right to object, first I wish to ask the distinguished Senator from Minnesota whether there has been any change in the bill since it has been reported from the committee.

Mr. HUMPHREY. I can give the distinguished minority leader my positive assurance that there has been no change whatsoever.

Mr. WHERRY. Very well.

I ask the question, I wish the distinguished junior Senator from Minnesota to know, because of the fact that after conferring with the minority Members about the bill, I agreed to have it brought up. However, I did not know it was to be brought up at this time.

I want the Senator from Minnesota and other Senators to know that I do not like to legislate in this way. I think this bill should be understood very thoroughly.

However, I wish to say for the RECORD that all the minority members of the Committee on Labor and Public Welfare

have endorsed this measure, and are very anxious that it be passed.

I simply wish to be sure, following the representations which other Senators have made to me, that the bill as now brought up carries the same provisions that it had when it left the committee. I am not saying that it might have been changed, but if there are any new amendments, I should like to be sure what they are.

Mr. HUMPHREY. There are no new amendments. The bill has been approved unanimously by the committee. It has been carefully gone over by the general counsel of the National Labor Relations Board. The bill has been screened and scrutinized by the majority counsel and the minority counsel of the Committee on Labor and Public Welfare. This measure is desperately needed in view of a recent Supreme Court decision which affects a certain number of union-shop elections conducted under the terms of the Taft-Hartley law, the Labor-Management Relations Act.

This bill is a very minor one, in the sense that it meets a very technical problem only recently brought to our attention.

The bill was introduced by the distinguished Senator from Ohio [Mr. TAFT], and I was privileged to be one of the cosponsors of the bill.

Mr. WHERRY. Mr. President, further reserving the right to object, the distinguished junior Senator from California [Mr. NIXON], who is also a member of the committee, is now on the floor. I should like to ask him whether he confirms the statement made by the distinguished junior Senator from Minnesota, and whether he also believes that the bill as now before the Senate is as it was when it left the committee where it was approved by the minority members.

Mr. NIXON. Mr. President, I can confirm the statement made by the distinguished junior Senator from Minnesota. The bill has the unanimous approval of all members of the Committee on Labor and Public Welfare, those on both the Republican and the Democratic sides.

The bill has the additional merit of having the support of both the industry representatives, the employer groups, and the employee groups, as well.

In my opinion—and I am speaking now as one who voted for the Taft-Hartley Act and as one of the sponsors of that act—the bill is, in effect, a corrective amendment to the Taft-Hartley Act. Of course, the Senator from Minnesota voted against that act.

In my opinion this bill is a corrective measure which should be passed.

Mr. WHERRY. Mr. President, with that statement and the statement of the distinguished junior Senator from Minnesota, so far as I personally am concerned, I have no objection to the request for the immediate consideration of the bill.

Mr. RUSSELL. Mr. President, I am interested in knowing that the bill is approved by both industry and labor organizations, but I should like to know whether any Member of the Senate will inform the Senate briefly what the bill will do.

Mr. HUMPHREY. I shall be very glad to do so.

Mr. RUSSELL. I should like to have the Senator do so.

Mr. HUMPHREY. Mr. President, the bill will take care of a number of cases which have been outlawed by the recent Supreme Court decision in what is known as the Highland Park case.

The Senator may recall that there was a time when the national officials of the CIO did not sign the non-Communist affidavit.

Mr. RUSSELL. Have they now signed it?

Mr. HUMPHREY. They have. A number of elections, known as union-shop elections, were held under section 9 (e) of the Labor-Management Relations Act of 1947. Those elections were declared valid by the National Labor Relations Board, despite the fact that the CIO officials had not, by 1948, signed the non-Communist affidavit.

The case was appealed to the Supreme Court, in what is known as the Highland Park case. The Court ruled that all the elections were invalid because the officials had not signed the non-Communist affidavit when the elections were held.

Mr. RUSSELL. As I understand, the elections held prior to the signing of the non-Communist affidavit by the leaders of the particular labor organizations are not to be considered invalid by virtue of the fact that those officials had failed to sign the affidavit. Is that correct?

Mr. HUMPHREY. That is correct.

Mr. RUSSELL. But this measure does not relieve them of the liability of signing the affidavit in the future, does it?

Mr. HUMPHREY. Indeed, the bill does not. In fact, I wish to assure the Senator that all the affidavits have been signed by all the officials.

Mr. DWORSHAK. Mr. President, reserving the right to object, I should like to know whether the bill would set up a group of preferential national or international labor unions.

Mr. HUMPHREY. It would not. The bill follows the provisions of the Taft-Hartley Act, except in certain cases in which the bill validates certain elections which were held invalid by virtue of certain provisions of the Taft-Hartley Act.

Mr. DWORSHAK. What unions are involved?

Mr. HUMPHREY. Many of them, including the automobile workers union, the electrical workers union—dozens of unions. In fact, there are thousands of shop agreements which will be invalidated if this amendment is not enacted into law, and in that case the result will be that the National Labor Relations Board will have to hold all new shop elections, and it will also mean an organizational drive and disruption in many plants.

So in this case we are trying to validate elections which the National Labor Relations Board said were valid, and we are trying to avoid any further interruption in labor-management relations.

Mr. DWORSHAK. This bill would in no way deny to other unions the preferential treatment thus being accorded to these specific groups, would it?

Mr. HUMPHREY. No; it would not.

Mr. MUNDT. Mr. President, reserving the right to object, let me ask whether the bill in any way deals with future elections; or does it deal with elections which already have been held?

Mr. HUMPHREY. It deals with elections which already have been held and elections affected by what is known as the Highland Park case.

Mr. MUNDT. Does the bill in any way make it easier for unions in the future to qualify without having their officials sign the non-Communist oath or affidavit?

Mr. HUMPHREY. It does not. The non-Communist oath or affidavit requirement is a part of the Taft-Hartley law which must be abided by; and this measure would not in any way affect the necessity and legal obligation of every union official to sign the non-Communist affidavit.

The PRESIDING OFFICER. Is there objection to the present consideration of the bill?

There being no objection, the Senate proceeded to consider the bill (S. 1915) to amend the National Labor Relations Act, as amended, and for other purposes, which had been reported by the Committee on Labor and Public Welfare, with amendments, on page 2, line 12, after the word "amendment," to insert a colon and the following proviso: "Provided, however, That this proviso shall not have the effect of setting aside or in any way affecting judgments or decrees heretofore entered under section 10 (e) or (f) and which have become final."

In line 23, after the word "following," to strike out "and has complied with all the requirements imposed by section 9 (f), (g), and (h)" and insert "and has at the time the agreement was made or within the preceding 12 months received from the Board a notice of compliance with sections 9 (f), (g), and (h)," and on page 3, line 22, after "section 9" to strike out "(3)" and insert "(e)," so as to make the bill read:

Be it enacted, etc., That the National Labor Relations Act, as amended, is hereby further amended as follows:

(a) By adding at the end of said act the following new section:

"Sec. 18. No petition entertained, no investigation made, no election held, and no certification issued by the National Labor Relations Board, under any of the provisions of section 9 of the National Labor Relations Act, as amended, shall be invalid by reason of the failure of the Congress of Industrial Organizations to have complied with the requirements of section 9 (f), (g), or (h) of the aforesaid act prior to December 22, 1949, or by reason of the failure of the American Federation of Labor to have complied with the provisions of section 9 (f), (g), or (h) of the aforesaid act prior to November 7, 1947: *Provided, That no liability shall be imposed under any provision of this act upon any person for failure to honor any election or certificate referred to above, prior to the effective date of this amendment: Provided, however, That this proviso shall not have the effect of setting aside or in any way affecting judgments or decrees heretofore entered under section 10 (e) or (f) and which have become final.*"

(b) Subsection (a) (3) of section 8 of said act is amended by striking out so much of the first sentence as reads "; and (1) if, following the most recent election held as

provided in section 9 (e) the Board shall have certified that at least a majority of the employees eligible to vote in such election have voted to authorize such labor organization to make such an agreement;" and inserting in lieu thereof the following: "and has at the time the agreement was made or within the preceding 12 months received from the Board a notice of compliance with sections 9 (f), (g), and (h) and (1) unless following an election held as provided in section 9 (e) within 1 year preceding the effective date of such agreement, the Board shall have certified that at least a majority of the employees eligible to vote in such election have voted to rescind the authority of such labor organization to make such an agreement:"

(c) Section 9 (e) of such act is amended by striking out all of subsections (1) and (2) and inserting in lieu thereof the following: "(1) Upon the filing with the Board, by 30 percent or more of the employees in a bargaining unit covered by an agreement between their employer and a labor organization made pursuant to section 8 (a) (3), of a petition alleging they desire that such authority be rescinded, the Board shall take a secret ballot of the employees in such unit and certify the results thereof to such labor organization and to the employer." Renumber subsection "(3)" as "(2)."

(d) Subsections (f), (g), and (h) of section 9 of such act are amended by striking out the words "No petition under section 9 (e) (1) shall be entertained," where they appear in each of such subsections.

Mr. WHERRY. Mr. President, I do not want this to be considered as a precedent in the way of passing proposed legislation. I looked over this bill, I talked with the distinguished Senator from Ohio [Mr. Taft], and I also talked with other members of the legislative committee. The reason I mention this is that, too often, Senators come in at the last moment before a session is concluded to obtain the passage of proposed legislation. They are no doubt well-intentioned. I am not saying that it is ever done in an effort to take an unfair advantage of the Senate. Then, we suddenly wake up to the fact that something is lacking; that there should have been further consideration given to it, and a motion is made to reconsider the vote by which the bill was passed, and so forth. It simply is not the way to legislate.

I had conferred with the distinguished Senator from Ohio and other Senators, as a result of which I received confirmation of exactly what the Senator from Minnesota has now said. For that reason, as I stated in the beginning, I do not oppose consideration of the bill at this time. In fact, by reason of its provisions, I hope the bill will pass. But I do not want it to be considered as a precedent for a Senator to ask that the same thing be done in the future, in a case possibly where I might not have had an opportunity to investigate before the measure came to a vote.

The PRESIDING OFFICER. The point made by the Senator from Nebraska is well taken. The present occupant of the chair does not think the Senate ought to take up bills in this manner at the close of a session and have them passed with but very few Senators present.

Mr. HUMPHREY. Mr. President, I merely want to say that I had discussed this bill with the Senator from Nebraska.

Mr. WHERRY. That is correct.

Mr. HUMPHREY. I had also discussed it with the majority leader, and it certainly has been discussed with every responsible member of the labor-management subcommittee, so that they are fully cognizant of what this proposed legislation is about.

The PRESIDING OFFICER. The Chair wishes the distinguished Senator from Minnesota to know that, in the remarks which the Chair made, he was not at all reflecting upon the Senator; and the Chair feels sure that the Senator from Nebraska knows that no reflection was intended to be cast upon him in any way in connection with action upon legislation in the last moments of a session.

Mr. NIXON. Mr. President, I think the Senator from Minnesota is aware of the fact that I have a number of constituents in California who have raised a question as to the effect of this bill on complaints issued by the Board following the Highland Park decision, on the ground that, at the time the complaints were issued, the parent CIO was not in compliance with the non-Communist affidavit requirement. I am informed with respect to one case in particular, involving a large number of employees and a large amount of back pay, that, on the basis of the decision in the Ohio Oil Co. case, that particular case has been dismissed by the Board, by reason of the Highland Park rule.

Several of the employees, as well as officials of the company, have written to me. I have informed them that, in my opinion, this bill has no effect whatever on the pending cases. I wonder whether the Senator from Minnesota agrees with that interpretation.

Mr. HUMPHREY. I fully agree with the interpretation which has been made by the Senator from California, in his reply to his constituents. I have checked this matter, as the Senator knows, with the attorneys for the National Labor Relations Board, as well as with the legal counsel for our committee, and they have all assured me that this bill would have no effect one way or other on complaints which are dismissed on the basis of non-compliance. This bill is directed, as I pointed out earlier, toward validating the representation elections and the union-shop elections, under section 9 of the Labor-Management Relations Act.

Mr. NIXON. I am glad to note that the Senator agrees with that interpretation, because, as I now understand, the Ohio Oil Co. case, and all similar complaint cases, dismissed pursuant to the Highland Park rule, because the charging union was not in compliance when the complaint was issued, would be in exactly the same position, if this bill becomes the law, as before.

Mr. HUMPHREY. The Senator is correct again in his conclusion. I should like to make it clear to him, however, that the oil workers should not be penalized because the CIO or the National Labor Relations Board took the position they did regarding the non-Communist affidavits. Personally, I believe that the general counsel of the National Labor Relations Board should issue a new complaint. That is my own personal opinion. But this bill—and I want this to be quite clear, so that the legislative history will

be as it should be—this bill does not prejudge the general counsel's action, one way or other. In other words, those cases are separate entities, removed from the purview of this bill.

Mr. NIXON. When the Senator from Minnesota suggests that the Board might well issue a new complaint I think he will agree with me that it is not in any way, as he has indicated, prejudging the merits of the complaint.

Mr. HUMPHREY. I said that.

Mr. NIXON. Yes. I agree with the Senator, I think the issue should be solved and resolved one way or the other.

Mr. HUMPHREY. That is correct.

Mr. NIXON. But I also think it is important for us to recognize that, so far as this bill is concerned, it in no way affects the merits or the potential decision which may be made in a pending case.

Mr. HUMPHREY. The Senator is correct; and as I stated to the minority leader and to the Senator from Georgia, this particular bill pertains to the representation and the union-shop elections, as conducted under the terms of section 9 (c) of the Labor-Management Relations Act, as affected by the Highland Park decision, and it is not and should not be prejudicial to the ruling on the part of the general counsel or the National Labor Relations Board, one way or other, insofar as the oil workers cases are concerned.

The PRESIDING OFFICER. The question is on agreeing to the amendments reported by the committee.

The amendments were agreed to.

The bill was ordered to be engrossed for a third reading, read the third time, and passed.

Mr. HUMPHREY. Mr. President, I have a statement I desire to file, explaining this particular bill as reported by the committee. I ask that the statement be printed in the RECORD at this point in my remarks.

There being no objection, the statement was ordered to be printed in the RECORD, as follows:

INTRODUCTORY REMARKS OF SENATOR HUBERT H. HUMPHREY ON S. 1959

The introductory remarks to the report issued by the Committee on Labor and Public Welfare on S. 1959 adequately, it seems to me, summarize the purpose of this proposed legislation:

"This bill is designed to dispense with the holding of what have proved to be wholly unnecessary elections under section 9 (e) (union shop) of the present act and to meet serious related problems arising out of a recent Supreme Court decision."

The recent Supreme Court decision in question is the one in the Highland Park case asserting that the CIO and AFL are labor organizations within the meaning of 9 (h) of the Taft-Hartley law. The NLRB had previously held otherwise and the Highland Park decision overruled the NLRB order.

Members on both sides of the aisle agree that the Supreme Court decision should not disrupt peaceful collective bargaining relationships in perhaps thousands of situations, particularly since both the AFL and CIO had signed the non-Communist affidavits before the Supreme Court decision.

The bill also eliminates the need for elections to authorize the making of union-shop agreements. Here again, both sides of the aisle seem to agree that the union-shop elec-

tions serve no purpose but entail a heavy drain upon the limited resources of the NLRB.

The report of the Committee on Labor and Public Welfare, which represents the unanimous view of the committee, sets forth in greater detail than I need to go into here, the background of this proposed legislation.

For myself, I want to make it clear that my sponsorship of this legislation, along with members of my party and members of the Republican Party, does not change my basic convictions about the Taft-Hartley law, which I believe are reasonably well known.

I am sponsoring this legislation because I believe that we have an immediate and urgent responsibility to avert what can very well be turmoil and disruption in established labor-management relationships. I want to avoid this turmoil at a time when we cannot afford it.

S. 1959 is a noncontroversial bill in the full sense of the term, and I urge a unanimous vote for it.

AMENDMENT AND EXTENSION OF THE SUGAR ACT OF 1948

Mr. McFARLAND. Mr. President, a few days ago there was a unanimous-consent agreement that when the report on the House bill 4740, the State, Justice, Commerce, and Judiciary appropriation bill for 1952 was reported and the report on it was printed, the bill would become the unfinished business of the Senate. The report has now been filed, and, of course, will be printed in the morning. However, there is another little bill which is considered important, and which we would like to consider ahead of the appropriation bill. It will not take very long to dispose of it. It is Calendar 614, House bill 4521, a bill to amend and extend the Sugar Act of 1948, and for other purposes. I ask unanimous consent that that bill be made the unfinished business in the morning, to be followed by the appropriation bill.

Mr. WHERRY. Mr. President, I shall not object. In fact, I merely want to say that I deeply appreciate the majority leader's taking up the bills in that order, and making the sugar bill the unfinished business. I think it will expedite matters.

The PRESIDING OFFICER. Is there objection to the request? The Chair hears none, and it is so ordered.

WILLIAM N. OATIS

Mr. McFARLAND. Mr. President, I also wish to state that the distinguished Senator from Texas [Mr. CONNALLY] submitted a report on House Concurrent Resolution 140, which is known as the William N. Oatis resolution, and he would like to take that up sometime tomorrow. I am sure there will be no opposition to it, and that it can be disposed of in a few minutes. Unanimous consent will be requested, when the Senator from Texas is ready, to lay aside temporarily the business then before the Senate, to consider the resolution and dispose of it.

Mr. SPARKMAN. Mr. President, will the Senator yield?

Mr. McFARLAND. I yield.

Mr. SPARKMAN. I simply want to inquire as to whether any plan has been made yet definitely for calling the calendar.

Mr. McFARLAND. No definite plans have yet been made, but I think that probably one day next week we may be able to call the calendar before the distinguished Senator from Nevada leaves for San Francisco. It will not take long, because there are not very many bills on the calendar.

Mr. SPARKMAN. I thank the Senator.

EXECUTIVE SESSION

Mr. McFARLAND. I move that the Senate proceed to the consideration of executive business.

The motion was agreed to; and the Senate proceeded to the consideration of executive business.

EXECUTIVE MESSAGE REFERRED

The PRESIDING OFFICER (Mr. JOHNSTON of South Carolina) laid before the Senate a message from the President of the United States submitting sundry nominations, which were referred to the Committee on Armed Services.

(For nominations this day received, see the end of Senate proceedings.)

EXECUTIVE REPORT OF A COMMITTEE

The following favorable report of a nomination was submitted:

By Mr. LONG, from the Committee on Armed Services:

Frank C. Nash, of the District of Columbia, to be assistant to the Secretary of Defense, Mutual Defense Assistance, vice Maj. Gen. James H. Burns, resigned.

The PRESIDING OFFICER. If there are no further reports of committees, the clerk will state the nominations on the executive calendar.

UNITED NATIONS

The legislative clerk read the nomination of Isador Lubin, of New York, to be United States representative on the United Nations Economic and Social Council.

The PRESIDING OFFICER. Without objection, the nomination is confirmed.

DIPLOMATIC AND FOREIGN SERVICE

The legislative clerk proceeded to read sundry nominations in the Diplomatic and Foreign Service.

Mr. McFARLAND. Mr. President, I ask unanimous consent that the nominations in the Diplomatic and Foreign Service be confirmed en bloc.

The PRESIDING OFFICER. Without objection, the nominations in the Diplomatic and Foreign Service are confirmed en bloc.

UNITED STATES DISTRICT JUDGE

The legislative clerk read the nomination of Joseph Samuel Perry, of Illinois, to be United States district judge for the northern district of Illinois.

The PRESIDING OFFICER. Without objection, the nomination is confirmed.

COLLECTOR OF CUSTOMS

The legislative clerk read the nomination of Nora M. Harris to be collector of customs for customs collection district No. 6.

The PRESIDING OFFICER. Without objection, the nomination is confirmed.

Mr. McFARLAND. Mr. President, I ask that the President be immediately notified of all nominations confirmed today.

The PRESIDING OFFICER. Without objection, the President will be immediately notified of all nominations confirmed today.

RECESS

Mr. McFARLAND. I move that the Senate stand in recess until 12 o'clock noon tomorrow.

The motion was agreed to; and (at 5 o'clock and 51 minutes p. m.), the Senate took a recess until tomorrow, Wednesday, August 22, 1951, at 12 o'clock meridian.

NOMINATIONS

Executive nominations received by the Senate August 21 (legislative day of August 1), 1951:

IN THE MARINE CORPS

The following-named officers of the Marine Corps for temporary appointment to the grade of brigadier general, subject to qualification therefor as provided by law:

William W. Davies William G. Manley
Reginald H. Ridgely, Lenard B. Cresswell
Jr.

CONFIRMATIONS

Executive nominations confirmed by the Senate August 21 (legislative day of August 1), 1951:

UNITED NATIONS

Isador Lubin, of New York, United States representative on the United Nations Economic and Social Council, to serve concurrently and without additional compensation as the representative of the United States of America on the Advisory Committee to the Agent General of the United Nations Korean Reconstruction Agency.

DIPLOMATIC AND FOREIGN SERVICE

Waldemar J. Gallman, of New York, to be Ambassador Extraordinary and Plenipotentiary of the United States of America to the Union of South Africa.

To be consul general of the United States of America

Harold Sims.

To be Foreign Service officer of class 3, a consul, and a secretary in the diplomatic service of the United States of America

D. Eugene Delgado-Arias.

To be Foreign Service officers of class 4, consuls, and secretaries in the diplomatic service of the United States of America

Julian P. Fromer.

George W. Skora.

J. Raymond Ylitalo.

To be consuls of the United States of America

Stephen H. McClintic Kenneth R. Boyle
Rodolfo O. Rivera H. Franklin Irwin, Jr.

To be a vice consul of the United States of America

Samuel Atkins Morrow.

UNITED STATES DISTRICT JUDGE

Joseph Samuel Perry, to be United States district judge for the northern district of Illinois.

COLLECTOR OF CUSTOMS

Nora M. Harris, to be collector of customs for customs collection district No. 6, with headquarters at Bridgeport, Conn.

HOUSE OF REPRESENTATIVES

TUESDAY, AUGUST 21, 1951

The House met at 12 o'clock noon.

The Chaplain, Rev. Bernard Braskamp, D. D., offered the following prayer:

O Thou who dost preside over the destinies of men and nations, we earnestly beseech Thee to bestow the blessings of wisdom and understanding, of insight and interpretation upon all who serve and guide our beloved country in these troublous times.

Grant that our leaders and Members of Congress, who administer the affairs of government in these days of difficult adjustments and problems, may be richly endowed with that wisdom which cometh from above as they seek to bring Thy blessings to all mankind.

We pray that they may be wise in moral and spiritual strategy and in statecraft and wilt Thou use them in establishing Thy kingdom of righteousness and peace upon the earth.

Hear us in the name of the Prince of Peace. Amen.

The Journal of the proceedings of yesterday was read and approved.

MESSAGE FROM THE SENATE

A message from the Senate, by Mr. Landers, its enrolling clerk, announced that the Senate agrees to the report of the committee of conference on the disagreeing votes of the two Houses on the amendments of the House to the bill (S. 349) entitled "An act to assist the provision of housing and community facilities and services required in connection with the national defense."

The message also announced that the Vice President has appointed Mr. JOHNSTON of South Carolina and Mr. LANGER members of the joint select committee on the part of the Senate, as provided for in the act of August 5, 1939, entitled "An act to provide for the disposition of certain records of the United States Government," for the disposition of executive papers referred to in the report of the Archivist of the United States numbered 52-5.

TEMPORARY APPROPRIATIONS FOR THE FISCAL YEAR 1952

Mr. SMITH of Virginia, from the Committee on Rules, reported the following resolution (H. Res. 397, Rept. No. 903), which was referred to the House Calendar and ordered to be printed:

Resolved, That immediately upon the adoption of this resolution it shall be in order to move that the House resolve itself into the Committee of the Whole House on the State of the Union for the consideration of the joint resolution (H. J. Res. 320) amending an act making temporary appropriations for the fiscal year 1952, and for other purposes. That after general debate, which shall be confined to the joint resolution and continue not to exceed 30 minutes, to be equally divided and controlled by the chairman and ranking minority member of the Committee on Appropriations, the joint resolution shall be read for amendment under the 5-minute rule. At the conclusion of the consideration of the joint resolution for

amendment, the Committee shall rise and report the joint resolution to the House with such amendments as may have been adopted and the previous question shall be considered as ordered on the joint resolution and amendments thereto to final passage without intervening motion except one motion to recommit.

DEFENSE HOUSING AND COMMUNITY FACILITIES

Mr. SPENCE. Mr. Speaker, I call up the conference report on the bill (S. 349) to assist the provisions of housing and community facilities and services required in connection with the national defense, and ask unanimous consent that the statement of the managers on the part of the House be read in lieu of the report.

The Clerk read the title of the bill.

The SPEAKER. Is there objection to the request of the gentleman from Kentucky?

There was no objection.

The Clerk read the statement.

The conference report and statement follow:

CONFERENCE REPORT (H. REPT. NO. 901)

The committee of conference on the disagreeing votes of the two Houses on the amendments of the House to the bill (S. 349) to assist the provision of housing and community facilities and services required in connection with the national defense, having met, after full and free conference, have agreed to recommend and do recommend to their respective Houses as follows:

That the Senate recede from its disagreement to the amendments of the House numbered 1, 6, 7, 8, 9, 10, 12, 13, 14, 15, 16, 18, 19, 20, 21, 22, 23, 25, 26, 27, 28, 29, 30, 31, 32, 33, 34, 35, 37, 40, 42, 43, 45, 46, 48, 49, and 50 and agree to the same.

Amendment numbered 2: That the Senate recede from its disagreement to the amendment of the House numbered 2, and agree to the same with an amendment, as follows: In lieu of the matter proposed to be inserted by the House amendment insert the following: "and printed in the Federal Register"; and the House agree to the same.

Amendment numbered 3: That the Senate recede from its disagreement to the amendment of the House numbered 3, and agree to the same with an amendment, as follows: In lieu of the matter proposed to be inserted by the House amendment insert the following:

(b) second, residential credit restrictions under the Defense Production Act of 1950, as amended, (1) as to housing to be sold at \$12,000 or less per unit or to be rented at \$85 or less per unit per month, shall be suspended with respect to the number and types of housing units at the sales prices or rentals which the President determines to be needed in such area for defense workers or military personnel, and (2) as to all other housing, shall be relaxed in such manner and to such extent as the President determines to be necessary and appropriate to obtain the production of such housing needed in such area for defense workers or military personnel;

And the House agree to the same.

Amendment numbered 4: That the Senate recede from its disagreement to the amendment of the House numbered 4, and agree to the same with an amendment, as follows:

Omit the matter proposed to be stricken out by the House amendment and insert in lieu thereof the following: "(which meet the requirements as to types, rentals or sales prices, and general locations)"; and the House agree to the same.

Amendment numbered 5: That the Senate recede from its disagreement to the amendment of the House numbered 5, and agree to the same with an amendment, as follows: In lieu of the matter proposed to be inserted by the House amendment insert the following: "but shall not, in any case, mean any public housing authority, or its governing body, or any of its officers, acting in such capacity"; and the House agree to the same.

Amendment numbered 11: That the Senate recede from its disagreement to the amendment of the House numbered 11, and agree to the same with an amendment, as follows: At the end of the matter proposed to be inserted by the House amendment insert the following additional sentence: "The Commissioner shall construe the term 'actual cost' in such a manner as to reduce same by the amount of any kick-backs, rebates, and normal trade discounts received in connection with the construction of the said physical improvements and to include only the actual amounts paid for labor and materials and necessary services in connection therewith." And the House agree to the same.

Amendment numbered 17: That the Senate recede from its disagreement to the amendment of the House numbered 17, and agree to the same with an amendment, as follows: Omit the matter proposed to be stricken out by the House amendment; and on page 31, line 4, of the Senate bill strike out the word "separate"; and the House agree to the same.

Amendment numbered 24: That the Senate recede from its disagreement to the amendment of the House numbered 24, and agree to the same with an amendment, as follows: In subsection (c) of the matter proposed to be inserted by the House amendment strike out "1952" and insert in lieu thereof "1953"; and the House agree to the same.

Amendment numbered 36: That the Senate recede from its disagreement to the amendment of the House numbered 36, and agree to the same with an amendment, as follows: After the word "Service" at the end of the House amendment insert a colon and the following: "Provided, That the Surgeon General shall have power to delegate to any other Federal agency functions, powers, and duties with respect to construction"; and the House agree to the same.

Amendment numbered 38: That the Senate recede from its disagreement to the amendment of the House numbered 38, and agree to the same with an amendment, as follows: In lieu of the matter proposed to be inserted by the House amendment insert the following:

"Sec. 602. (a) Section 605 of the Defense Production Act of 1950, as amended, is amended by striking out the period in the first sentence and inserting in lieu thereof the following: 'And provided further, That no more than 4 per centum down payment shall be required in connection with the loan on any home made or guaranteed by the Veterans' Administration pursuant to the Servicemen's Readjustment Act of 1944, as amended, and the sales price of which home does not exceed \$7,000; and no more than 6 per centum down payment shall be required in connection with any such loan where the sales price exceeds \$7,000 but does not exceed \$10,000; and no more than 8 per centum down payment shall be required in connection with any such loan where the sales price exceeds \$10,000 but does not exceed \$12,000.'

"(b) The Defense Production Act of 1950, as amended, is further amended by adding after section 605 the following new section: "Sec. 606. Not more than 10 per centum down payment shall be required pursuant to

section 602 or section 605 of this Act in connection with the loan on any home not made or guaranteed by the Veterans' Administration and the transaction price of which home does not exceed \$7,000; nor more than 15 per centum in connection with any such loan on any home the transaction price of which exceeds \$7,000 but does not exceed \$10,000; nor more than 20 per centum in connection with any such loan on any home the transaction price of which exceeds \$10,000 but does not exceed \$12,000. The term of any loan referred to in the preceding sentence or in the last proviso of section 605 shall not be required to be less than twenty-five years."

And the House agree to the same.

Amendment numbered 39: That the Senate recede from its disagreement to the amendment of the House numbered 39, and agree to the same with an amendment, as follows: In the matter proposed to be inserted by the House amendment strike out subsections (c) and (d) and insert in lieu thereof the following:

"(c) by striking out 'is authorized' following 'Administrator' in clause (2) of section 605 (b) thereof and substituting 'shall', and by striking out 'to increase' in such clause and substituting 'increase'; and

"(d) by adding at the end thereof the following new sections 611 and 612:"

And the House agree to the same.

Amendment numbered 41: That the Senate recede from its disagreement to the amendment of the House numbered 41, and agree to the same with an amendment, as follows: In the matter proposed to be inserted by the House amendment, immediately following the section number, strike out "In order to assure the maximum utilization of such housing for defense purposes, the" and insert in lieu thereof "The"; and the House agree to the same.

Amendment numbered 44: That the Senate recede from its disagreement to the amendment of the House numbered 44, and agree to the same with the following amendments: In the matter proposed to be inserted by the House amendment, strike out "March 1, 1952" and insert in lieu thereof "December 31, 1951"; and strike out "\$500,000,000" and insert in lieu thereof "\$200,000,000"; and the House agree to the same.

Amendment numbered 47: That the Senate recede from its disagreement to the amendment of the House numbered 47, and agree to the same with an amendment, as follows: In lieu of the matter proposed to be inserted by the House amendment insert the following:

"(b) Section 501 (b) of the Servicemen's Readjustment Act of 1944, as amended, is hereby amended to read as follows:

"(b) Any loan made under this title to a veteran who has not, after April 20, 1950, availed himself of the benefits of this title for the purpose of purchasing residential property or constructing a dwelling to be occupied as his home, the proceeds of which loan are to be used for that purpose, may, notwithstanding the provisions of subsection (a) of section 500 of this title relating to the percentage or aggregate amount of loan to be guaranteed, be guaranteed, if otherwise made pursuant to the provisions of this title, in an amount not exceeding sixty per centum of the loan: *Provided*, That the amount of any such guaranty shall not exceed \$7,500, less the amount with which the veteran's entitlement for real estate purposes is properly chargeable on account of prior loans, nor shall the gratuity payable under subsection (c) of section 500 of this title exceed that which is payable on loans

guaranteed in accordance with the maxima provided for in subsection (a) of section 500 of this title."

And the House agree to the same.

BRENT SPENCE,
PAUL BROWN,
WRIGHT PATMAN,
ALBERT RAINS,
JESSE P. WOLCOTT,
RALPH A. GAMBLE,
ALBERT M. COLE,
Managers on the Part of the House.

BURNET R. MAYBANK,
JOHN SPARKMAN,
J. ALLEN FREAR, Jr.,
PAUL H. DOUGLAS (except as to
House amendments 18
through 22, and 30, delet-
ing aid to school construc-
tion),
HOMER E. CAPEHART,
JOHN W. BRICKEP,
IRVING M. IVES (except as to
House amendments 18
through 22, and 30, delet-
ing aid to school construction),
Managers on the Part of the Senate.

STATEMENT

The managers on the part of the House at the conference on the disagreeing votes of the two Houses on the amendments of the House to the bill (S. 349) to assist the provision of housing and community facilities and services required in connection with the national defense, submit the following statement in explanation of the effect of the action agreed upon by the conferees and recommended in the accompanying conference report:

Amendment Nos. 1, 5, 6, 7, 10, 12, 18, 19, 20, 21, 22, 23, 25, 33, 34, 35, 37, 40, 43, 45, 46, 48, 49, and 50: These are clarifying, conforming, and technical amendments. The Senate recedes.

Amendment No. 2: This House amendment would have required the Housing and Home Finance Administrator to publish in a newspaper having general circulation within a critical defense housing area and print in the Federal Register, information as to the number of permanent dwelling units (including information as to types, rentals, and general locations) needed for defense workers and military personnel in such critical defense housing area. No similar provision was made in the Senate bill. The amendment adopted by the committee of conference omits the requirement with respect to publication of such information in a newspaper in the area but retains the requirement that such information be printed in the Federal Register.

Amendment No. 3: The Senate bill provided that in any area which the President determines to be a critical defense housing area, residential credit restrictions under the Defense Production Act would be relaxed in such manner and to such extent as the President determined to be appropriate and necessary to obtain the production of housing needed in such area for defense workers or military personnel. The bill was amended by the House to require that in critical defense housing areas residential credit restrictions be suspended for such period or periods as the President determined to be appropriate and necessary to obtain the production of housing needed in such area for defense workers or military personnel. In place of the Senate bill and the House amendment, the conference report provides that as to housing to be sold at \$12,000 or less per unit or to be rented at \$85 or less per unit per month, residential credit restrictions shall be suspended with respect to the number and types of housing units at

the sales prices or rentals which the President determines to be needed in such area for defense workers or military personnel and that as to all other housing, residential credit restrictions shall be relaxed in such manner and to such extent as the President determines to be necessary and appropriate to obtain the production of the proper housing. It is the understanding of the committee of conference that "types" as so used refers to rental and sales units and the number of bedrooms contained therein; it does not refer to architectural types.

Amendment No. 4: The Senate bill provided that permanent housing should not be constructed by the Federal Government under Title III except to the extent that private builders or eligible mortgagees have not indicated through bona fide applications (which are eligible for approval) for exceptions from residential credit restrictions or for mortgage insurance or guaranty that they will provide the needed housing. The House amendment struck out the phrase "(which are eligible for approval)." The Senate recedes with an amendment which inserts in lieu of the stricken phrase the following: "(which meet the requirements as to types, rentals or sales prices, and general locations)."

Amendment No. 8: This amendment would authorize FHA insurance under section 903 of the National Housing Act on mortgages having a maturity of not more than 30 years, rather than 25 years, as provided by the Senate bill. The Senate recedes.

Amendments Nos. 9 and 11: Both the Senate bill and the bill as amended by the House contained provisions requiring, in connection with mortgages insured under the proposed new title IX of the National Housing Act, that the mortgagor certify upon completion of the physical improvements on the mortgaged property the amount, if any, by which the proceeds of the mortgage loan exceeded the actual cost of the physical improvements, and to pay within 60 days after such certification to the mortgagee for application to the reduction of the principal amount of the mortgage the amount so certified to be in excess of such actual cost. The Senate bill required the certification to be made with respect to mortgages insured under the proposed new section 903 as well as mortgages insured under the proposed new section 908. House amendment No. 9 deleted the certification requirement with respect to mortgages insured under the proposed section 903, which section provides for the insurance of one and two family housing units, because of the fact, among other things, that the certification provision would not be administratively workable on this type of construction especially since the mortgagor in many cases would not be the builder of the units. The Senate receded on amendment No. 9.

With respect to the certification requirement under the proposed new section 908 the Senate provision required (1) that the certification be made under oath, (2) that the profit of the prime contractor be excluded in computing the cost of the physical improvements, (3) that the mortgagor require each principal contractor to keep available for a period of two years the records of his actual costs, expenses and charges and keep available for a similar period all invoices from subcontractors and architects and records of actual disbursements to said subcontractors and architects, all such records to be submitted for inspection to the Commissioner, and (4) that the Commissioner construe the term "actual cost" in such a manner as to exclude all kickbacks, rebates and normal trade discounts received in connection with the construction of the said physical improvements, and to include only

the actual amounts paid for labor and materials and necessary services in connection therewith. The House amendment No. 11 did not contain these enumerated provisions of the Senate certification requirement. The committee of conference retained the House amendment with an amendment adding the Senate requirement with respect to the manner in which the Federal Housing Commissioner shall construe the term "actual cost."

With respect to this certification provision, the conference report did not require the certification to be made "under oath", as did the Senate bill, as such requirement is not necessary in view of the fact that the certification is made to the Government and the criminal statutes pertaining to false certifications are applicable to the certification required in this instance.

In order that the Federal Housing Commissioner may be able to check on compliance with this certification provision it will of course be necessary that the mortgagor keep and maintain adequate cost records and make them available to the Commissioner. It is the intention of the committee of conference that the Commissioner issue regulations necessary to carry out the certification provisions.

It is also the intention of the committee of conference that in estimating the value of property or projects under sections 903 and 908 of the proposed new title IX of the National Housing Act, the Federal Housing Commissioner shall exercise the greatest care to assure that such estimates will not result in excessive valuations.

Amendment No. 13: This amendment provided that preference should be given to applications for insurance under the proposed new title IX of the National Housing Act to mortgages covering housing of lower rents. The Senate recedes.

Amendments Nos. 14 and 15: The Senate bill provided that permanent housing should be constructed under title III only in isolated or relatively isolated areas. The House amendments would authorize the construction of permanent housing under title III in any critical defense area, so long as the requirements of section 101, as well as the other applicable requirements of titles I and III, are met. The Senate recedes.

Amendment No. 16: This amendment provided that, wherever consistent with other requirements of national defense, permanent housing constructed under title III should consist of one- to four-family dwelling structures so arranged that they may be offered for separate sale. The Senate recedes.

Amendment No. 17: The Senate bill, after providing for the eventual sale of permanent housing constructed under title III, provided that all such permanent dwellings designed for occupancy by not more than four families should, wherever feasible, be offered for separate sale. The House amendment struck out the phrase "wherever feasible." The amendment, as agreed to by the committee of conference, provides that all such dwellings shall be offered for sale, without specifying that they shall be offered for separate sale; so that even though it may not always be feasible to offer a dwelling for separate sale, it must nevertheless be sold.

Amendment No. 24: This amendment provided that housing or community facilities constructed under title III should conform to State and local laws, ordinances, rules, or regulations relating to health and sanitation, and to the maximum extent practicable, taking into consideration the availability of materials and the requirements of the national defense, permanent housing or community facilities so constructed should conform to State or local laws, ordinances, rules, or regulations relating to building codes. The amendment also wrote into the bill provi-

sions relating to the acquisition of real property under title III and title IV, and to the return of such property to the original owner in certain cases, which provisions are substantially similar to those recently included in the Defense Production Act amendments of 1951. The Senate recedes, with a technical amendment changing the date "June 30, 1952", in the provision relating to the return of property, to "June 30, 1953", to conform with the termination dates provided elsewhere in the bill.

Amendments Nos. 26, 27, 28, 29, 30, and 31: These amendments all related to the definitions of community facilities and services contained in title III. Their combined effect was to limit the authority of title III with respect to community facilities and services to those particular types of facilities and services specified in the bill; to strike out all such authority with respect to schools; and to add authority with respect to police protection facilities and libraries. The Senate recedes. The agreement to strike out authority with respect to schools was reached after the committee of conference had been advised that the House Committee on Education and Labor will consider amendments to Public Law 815 of the 81st Congress in order to meet the need for school construction in critical defense housing areas, and that staff work on such amendments has already begun.

Amendment No. 32: This amendment defines the term "national defense". The Senate recedes. It is the understanding of the committee of conference that the definition of national defense will include, but is not limited to, the items listed on pages 25 and 26 of the Senate report on S. 349.

Amendment No. 36: This amendment provided that all functions under title III and section 103 with respect to health, refuse disposal, sewage treatment, and water purification should be exercised by the Surgeon General. The Senate recedes, with an amendment which provides that the Surgeon General may delegate to any other Federal agency any of those functions, so far as they relate to construction.

Amendment No. 38: The Senate bill contained a provision which, subject to conditions prescribed by the Housing and Home Finance Administrator, would have exempted from credit restrictions loans on lower-cost homes made to veterans employed in defense plants in critical defense housing areas.

The House amendment struck out the above provision of the Senate bill and inserted a provision which prohibited the requirement under section 605 of the Defense Production Act of a down payment exceeding 6 percent in connection with a loan guaranteed by the Veterans' Administration on a home costing \$12,000 or less in any area, including a critical defense housing area. The House amendment also provided that with respect to other home loans not more than 10 percent down payment could be required under regulations issued pursuant to sections 602 and 605 of the Defense Production Act in the case of homes costing \$10,000 or less, nor more than 20 percent down payment in the case of homes costing \$12,000 or less. The House amendment further provided that in the case of loans for which credit restrictions were thus relaxed the term of any such loan shall not be required to be less than 25 years.

The Senate recedes with an amendment which makes the following changes in the House provision. With respect to veterans' home loans guaranteed under the GI Bill of Rights where the sales price does not exceed \$7,000, the down payment shall not exceed 4 percent; where the sales price exceeds \$7,000 but does not exceed \$10,000, the down payment shall not exceed 6 percent; and where

the sales price exceeds \$10,000 but does not exceed \$12,000, the down payment shall not exceed 8 percent. The Senate amendment also made these relaxations applicable to the direct home loan program of the Veterans' Administration. In the case of other home loans no more than 10 percent down payment shall be required where the transaction price does not exceed \$7,000; no more than 15 percent down payment shall be required where the transaction price exceeds \$7,000 but does not exceed \$10,000; and no more than 20 percent down payment shall be required where the transaction price exceeds \$10,000 but does not exceed \$12,000.

Amendment No. 39: This amendment amends the Lanham Act in two respects. First, it repeals two provisos which are now obsolete and conflict with certain provisions contained in the recent extension of the Housing and Rent Act of 1947. Second, it requires, upon application of the owner, additional increases in rentals paid by the Federal Government for the use of land acquired for housing under that Act, of 100 percent of the present authorized rental payments. The Senate recedes with a clarifying amendment.

Amendment No. 41: This amendment added a new section 612 to the Lanham Act authorizing the Housing and Home Finance Administrator, in order to assure the maximum utilization of Lanham housing for defense purposes, to establish income limitations for occupancy of any such housing under his jurisdiction, and, giving consideration to the ability of tenants to obtain other housing accommodations, to require tenants admitted to occupancy prior to the establishment of such income limitations and who have incomes in excess thereof, to vacate. The Senate bill contained no similar provision. The conference report contains this provision with an amendment permitting the establishment of such income limitations with respect to all Lanham housing and not just those units available for defense purposes.

Amendment No. 42: Both the Senate bill and the bill as amended by the House provided for an increase of \$1,500,000,000 in the insurance authorization of the various titles (except title VI) of the National Housing Act. The Senate bill limited the use of the increase to mortgage insurance with respect to housing in critical defense housing areas. The amendment of the House struck out this limitation. The Senate recedes from its disagreement to the House amendment. The committee of conference were in full agreement however that critical defense housing areas shall receive prior consideration in the use of this new authorization in order that the housing needed in such areas to support the defense effort will be provided.

Amendment No. 44: This amendment would restore to the Federal National Mortgage Association authority to make commitments for the purchase of mortgages on (1) programmed housing in a critical defense housing area, (2) military housing with respect to which a commitment to insure has been issued pursuant to FHA title VIII, or (3) housing for victims of a catastrophe in a major disaster area. This commitment authority for purchase of mortgages by the association would be limited to an amount not exceeding \$500,000,000 outstanding at any one time and further limited to commitments made on or after the effective date of this act and prior to March 1, 1952. No similar provision was contained in the Senate bill. The conference report retains the provisions of the House amendment with the following changes: (1) The amount of commitments outstanding at any one time was reduced to \$200,000,000 in lieu of \$500,000,000 provided for in the House amendment, and (2) the period during which commitments may be made would terminate December 31, 1951,

whereas the House amendment provided for a termination date of March 1, 1952.

With respect to the exercise of this commitment authority, the committee of conference wishes to emphasize that it expects appropriate regulations will be issued to prevent the abuses of the commitment authority that existed previously when commitments for the purchase of mortgages were permitted. It is recalled that the Housing Act of 1950, Public Law 475, Eighty-first Congress, approved April 20, 1950, added a new subsection (G) to section 301 (a) (1) of the National Housing Act providing, "The Association after the effective date of this subparagraph may contract to purchase only those eligible mortgages which are guaranteed or insured at the time of the contract." This prohibition on commitment authority for the purchase of mortgages was adopted at that time because of the abuses that were being made of the commitment authority by certain mortgage financing institutions. This general prohibition still remains in the Act but as noted above would be modified with respect to the three types of housing indicated and to the extent of the limitations imposed.

In providing for a secondary mortgage market through the Federal National Mortgage Association the Congress intended that the Government should in necessary cases supply a secondary source of home mortgage credit but there was no intention that the Government should supply a primary, or direct, source of mortgage credit. Prior to the 1950 ban on commitment authority, certain mortgage lending institutions in fact used it as an almost unlimited line of credit with a \$2½ billion Government corporation to obtain mortgage lending funds. It enabled such lending institutions to do a volume of mortgage financing far in excess of that which would be permitted by their own assets and in some cases appears to have been done purely for the purpose of building up a volume of servicing fees amounting to one-half of one percent of the mortgage and to obtain the commission on hazard insurance provided to cover the mortgaged property. In other instances it appeared that certain large financing institutions obtained commitments running into the millions of dollars as a hedge for changing interest rates. These practices are wrong and the committee of conference does not wish to see them repeated.

Under the provisions of section 301 (a) (1) of the National Housing Act, the Association may charge a deposit or fee for the purchase of a mortgage not exceeding one percent of the original principal obligation of the mortgage. When the commitment procedure previously was permitted it was the practice of the Association to charge a one percent deposit on the issuance of a commitment. In the event an eligible mortgage was submitted to the Association for purchase within the period allowed under the commitment, one-half of the required deposit was refunded to the holder of the commitment and the Association retained the other half. In the event the holder of the commitment did not offer an eligible mortgage to the Association for purchase but could show that a mortgage eligible for purchase had been made and was placed elsewhere, the holder of the commitment received a refund of three-fourths of the initial deposit required and the Association retained the remaining one-fourth as its fee for having given the commitment. In the event the holder of the commitment neither produced an eligible mortgage for sale to the Association or for sale elsewhere, the full deposit of one percent was retained by the Association. The committee of conference is of the firm opinion that a similar practice be followed with respect to deposits and fees charged in connection with the limited commitment authority which would be authorized by the provisions of the bill.

The committee of conference also desires that the commitment period allowed be held to an appropriate minimum period of time in order that the use of the commitment authority will accelerate the actual production of housing accommodations of the type for which commitments may be obtained.

Amendment No. 47: Section 501 (b) of the Servicemen's Readjustment Act of 1944, as added by the Housing Act of 1950, provides for a guaranty of up to \$7,500 in connection with veterans' home loans, but only for veterans who have not previously availed themselves of any of the benefits of title III of that Act (which include home loans, business loans, and farm loans). The House amendment was designed to permit a veteran who had obtained a business or farm loan under the Act, or who had obtained a home loan under the Act to purchase or build a home before the more liberal provisions of section 501 (b) were enacted, to obtain a guaranty under section 501 (b), reduced by whatever amount his guaranty entitlement was chargeable with on account of the benefit he had previously obtained. The Senate recedes, with an amendment of a technical and clarifying nature.

ATOMIC ENERGY AND OTHER FEDERAL INSTALLATIONS

The attention of the committee of conference was called to the fact the provisions of the bill, particularly section 103 (c), might be construed to affect the existing authority of the Atomic Energy Commission under the Atomic Energy Act of 1946 with respect to providing housing, services and facilities at Atomic Energy installations. The committee of conference is in complete agreement that no provision of the bill is to be construed to affect the existing authority of the Atomic Energy Commission or any other Federal agency to provide, maintain, or operate housing or community facilities or services.

BRENT SPENCE,
PAUL BROWN,
WRIGHT PATMAN,
ALBERT RAINS,
JESSE P. WOLCOTT,
RALPH A. GAMBLE,
ALBERT M. COLE,

Managers on the Part of the House.

Mr. SPENCE. Mr. Speaker, I move the previous question.

The previous question was ordered.

The conference report was agreed to. A motion to reconsider was laid on the table.

PRIVATE CALENDAR

The SPEAKER. This is Private Calendar day. The Clerk will call the first bill on the Private Calendar.

BERNT BALCHEN

The Clerk called the bill (S. 1220) to authorize the appointment of Bernt Balchen as a permanent colonel in the Regular Air Force.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That, notwithstanding any other provision of law, the President, by and with the advice and consent of the Senate, is authorized to appoint Bernt Balchen, AO-426630, United States Air Force Reserve, to the permanent grade of colonel in the Regular Air Force. For the purposes of determining position on promotion list, permanent-grade seniority, and eligibility for promotion, the above-named person shall be credited with an amount of service equal to the number of days, months, and years by which his age at the time of his appointment exceeds 25 years and shall be placed on the promotion list immediately below that offi-

cer appointed to the permanent grade of colonel on April 2, 1948, who is credited with the same or next greater amount of service.

The service credited to the above-named person at the time of his appointment and his active commissioned service in the Regular Air Force subsequent to his appointment shall be included within the meaning of the term "years' service" as defined in subsection (b) of section 514 of the Officer Personnel Act of 1947 (61 Stat. 903; 10 U. S. C. 941b).

The bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

JOSEPH F. CARROLL

The Clerk called the bill (H. R. 4692) to authorize the appointment of Joseph F. Carroll as a permanent colonel in the Regular Air Force.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That, notwithstanding any other provision of law, the President, by and with the advice and consent of the Senate, is authorized to appoint Joseph F. Carroll, AO948277, United States Air Force Reserve, to the permanent grade of colonel in the Regular Air Force. For the purposes of determining position on promotion list, permanent-grade seniority, and eligibility for promotion, Joseph F. Carroll shall be credited with an amount of service equal to the number of days, months, and years by which his age at the time of his appointment exceeds 25 years and shall be placed on the promotion list immediately below that officer appointed to the permanent grade of colonel on April 2, 1948, who is credited with the same or next greater amount of service.

The service credited to Joseph F. Carroll at the time of his appointment and his active commissioned service in the Regular Air Force subsequent to his appointment shall constitute his "years' service" within the meaning of that term as set out in subsection (b) of section 514 of the Officer Personnel Act of 1947 (61 Stat. 903; 10 U. S. C. 941b).

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

SISTER CARMEN TEVA RAMOS

The Clerk called the bill (S. 61) for the relief of Sister Carmen Teva Ramos.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That, in the administration of the immigration and naturalization laws, Sister Carmen Teva Ramos shall be held and considered to have been lawfully admitted to the United States for permanent residence as of the date of the enactment of this act, upon payment of the required visa fee and head tax. Upon the enactment of this act, the Secretary of State shall instruct the proper quota-control officer to deduct one number from the appropriate quota for the first year that such quota is available.

The bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

ARNO EDVIN KOLM

The Clerk called the bill (S. 289) for the relief of Arno Edvin Kolm.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That, for the purposes of the immigration and naturalization laws,

Arno Edvin Kolm shall be held and considered to have been lawfully admitted to the United States for permanent residence as of the date of the enactment of this act, upon payment of the required visa fee and head tax. Upon the granting of permanent residence to such alien as provided for in this act, the Secretary of State shall instruct the proper quota-control officer to deduct one number from the appropriate quota for the first year that such quota is available.

The bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

DR. ISAC C. GOLDSTEIN

The Clerk called the bill (S. 518) for the relief of Dr. Isac C. Goldstein.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That, for the purposes of the immigration and naturalization laws, Dr. Isac C. Goldstein shall be held and considered to have been lawfully admitted to the United States for permanent residence as of the date of the enactment of this act, upon payment of the required visa fee and head tax. Upon the granting of permanent residence to such alien as provided for in this act, the Secretary of State shall instruct the proper quota officer to deduct one number from the appropriate quota for the first year that such quota is available.

The bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

GERHARD H. A. ANTON BEBR

The Clerk called the bill (S. 530) for the relief of Gerhard H. A. Anton Bebr.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That for the purposes of the immigration and naturalization laws, Gerhard H. A. Anton Bebr shall be held and considered to have been lawfully admitted to the United States for permanent residence as of the date of the enactment of this act, upon payment of the required visa fee and head tax. Upon the granting of permanent residence to such alien as provided for in this act, the Secretary of State shall instruct the proper quota officer to deduct one number from the number of displaced persons who shall be granted the status of permanent residence pursuant to section 4 of the Displaced Persons Act, as amended (62 Stat. 1011; 64 Stat. 219; 50 U. S. C. App. 1953).

The bill was ordered to be read a third time, was read a third time, and passed, and a motion to reconsider was laid on the table.

IVAN HERBEN, HIS WIFE, SON, AND DAUGHTER-IN-LAW

The Clerk called the bill (S. 930) for the relief of Ivan Herben, his wife, son, and daughter-in-law.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That, for the purposes of the immigration and naturalization laws, Ivan Herben, his wife, Milena, his son, Milan, and his daughter-in-law, Marta, shall be held and considered to have been lawfully admitted to the United States for permanent residence as of the date of the enactment of this act, upon the payment of the required visa fees and head taxes. Upon the granting of permanent residence to such aliens as provided for in this act, the Secretary of State shall instruct the proper quota-control officer to deduct four num-

bers from the number of displaced persons who shall be granted the status of permanent residence pursuant to section 4 of the Displaced Persons Act, as amended (62 Stat. 1011; 64 Stat. 219; 50 U. S. C. App. 1953).

The bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

SALOMON HENRI LAIFER

The Clerk called the bill (S. 1242) for the relief of Salomon Henri Laifer.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That, for the purposes of the immigration and naturalization laws, Salomon Henri Laifer shall be held and considered to have been lawfully admitted to the United States for permanent residence as of the date of the enactment of this act, upon payment of the required visa fee and head tax. Upon the granting of permanent residence to such alien as provided for in this act, the Secretary of State shall instruct the proper quota-control officer to deduct one number from the appropriate quota for the first year that such quota is available.

The bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

HAROLD FREDERICK D. WOLFGRAMM

The Clerk called the bill (S. 1503) for the relief of Harold Frederick D. Wolfgramm.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That, for the purposes of the immigration and naturalization laws, Harold Frederick D. Wolfgramm shall be held and considered to have been lawfully admitted to the United States for permanent residence as of the date of the enactment of this act, upon payment of the required visa fee and head tax. Upon the granting of permanent residence to such alien as provided for in this act, the Secretary of State shall instruct the proper quota-control officer to deduct one number from the appropriate quota for the first year that such quota is available.

The bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

EUGENIO BELLINI

The Clerk called the bill (H. R. 1100) for the relief of Eugenio Bellini.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That, in the administration of the immigration laws, Eugenio Bellini shall be considered as having been lawfully admitted for permanent residence as of June 6, 1950, the date of his arrival into the United States, on payment of the required visa fees and head taxes.

Sec. 2. Upon the enactment of this act, the Secretary of State is authorized and directed to instruct the proper quota control officer to deduct one number from the non-preference category of the first available immigration quota for nationals of Italy.

With the following committee amendment:

Strike out all after the enacting clause and insert in lieu thereof the following: "That, for the purposes of the immigration and naturalization laws, Eugenio Bellini shall be held and considered to have been lawfully admitted to the United States for

permanent residence as of the date of the enactment of this act, upon payment of the required visa fee and head tax. Upon the granting of permanent residence to such alien as provided for in this act, the Secretary of State shall instruct the proper quota-control officer to deduct one number from the appropriate quota for the first year that such quota is available."

The committee amendment was agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

EMILIO TORRES

The Clerk called the bill (H. R. 1102) for the relief of Emilio Torres.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That, for the purposes of the immigration and naturalization laws, Emilio Torres shall be held and considered to have been lawfully admitted to the United States for permanent residence as of the date of the enactment of this act, upon payment of the required visa fee and head tax. Upon the granting of permanent residence to such alien as provided for in this act, the Secretary of State shall instruct the proper quota-control officer to deduct one number from the appropriate quota for the first year that such quota is available.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

SHOEMON TAKANO

The Clerk called the bill (H. R. 1816) for the relief of Shoemon Takano.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That, in the administration of the immigration and naturalization laws, Shoemon Takano, who entered the United States at the port of Honolulu, Hawaii, on July 7, 1910, shall be deemed to have been lawfully admitted to the United States for permanent residence as of July 7, 1910, upon payment of the required visa fees and head taxes.

With the following committee amendment:

Strike out all after the enacting clause and insert in lieu thereof the following: "That for the purposes of the immigration and naturalization laws, Shoemon Takano shall be held and considered to have been lawfully admitted to the United States for permanent residence as of the date of the enactment of this act, upon payment of the required visa fee and head tax. Upon the granting of permanent residence to such alien as provided for in this act, the Secretary of State shall instruct the proper quota-control officer to deduct one number from the appropriate quota for the first year that such quota is available."

The committee amendment was agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

HEGO FUCHINO

The Clerk called the bill (H. R. 1818) for the relief of Hego Fuchino.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That, in the administration of the immigration and naturalization

laws, Hego Fuchino, who entered the United States at the port of Honolulu, Hawaii, on December 19, 1907, shall be deemed to have been lawfully admitted to the United States for permanent residence as of December 19, 1907, upon payment of the required visa fees and head taxes.

With the following committee amendment:

Strike out all after the enacting clause and insert in lieu thereof the following: "That for the purposes of the immigration and naturalization laws, Hego Fuchino shall be held and considered to have been lawfully admitted to the United States for permanent residence as of the date of the enactment of this act, upon payment of the required visa fee and head tax. Upon the granting of permanent residence to such alien as provided for in this act, the Secretary of State shall instruct the proper quota-control officer to deduct one number from the appropriate quota for the first year that such quota is available."

The committee amendment was agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

FAVORING GRANTING OF STATUS OF PERMANENT RESIDENCE TO CERTAIN ALIENS

The Clerk called the concurrent resolution (H. Con. Res. 145) favoring the granting of the status of permanent residence to certain aliens.

There being no objection, the Clerk read the concurrent resolution, as follows:

Resolved by the House of Representatives (the Senate concurring), That the Congress favors the granting of the status of permanent residence in the case of each alien hereinafter named, in which case the Attorney General has determined that such alien is qualified under the provisions of section 4 of the Displaced Persons Act of 1948, as amended (62 Stat. 1011; 64 Stat. 219; 50 App. U. S. C. 1953):

A-6740444, Berman, Bela.
A-6740445, Berman, Sylvia Zina.
A-6730668, Bryzman, Szymon.
A-6802173, Deutsch, Hersh Motek or Henry Motek Duetsch.
A-6513055, Flach, Michael Julius.
A-6369195, Gajowniczek, Feliksa or Sister May Felika Gajowniczek.
A-6737884, Goldin, Szloma.
A-6616271, Gottesman, Leopold.
A-6499963, Gottesman, Karol.
A-6762005, Kafka, Vera.
A-6868771, Kafka, Hvezdon.
A-6501853, Malachowski, Hirszt.
A-6475649, Maryles, Jakob Koppel.
A-6390231, Meisels, Zalmen Leib.
A-9765904, Mrozinski, Wladyslaw.
A-6994135, Muller, Izak.
A-6704105, Orenszejn, Mojzesz or Melvin Orenstein.
A-6743506, Orzechowski, Janusz Jozef.
A-6232208, Ramotowski, Tadeusz Stanislaus.
A-6894852, Schneeweiss, Lotka.
A-6894851, Schneeweiss, Mechel.
A-6743519, Silaus, Stanislaw Piotr.
A-6704102, Szafran, Josef or Joseph Szafran or Joseph Safran.
A-6475699, Waldman, Hilda (nee Schiffman).
A-6475697, Schiffman, Tewel.
A-6475698, Schiffman, Cypra.
A-6588618, Warszawski, Elizabeth (nee Rowinska).
A-6588625, Warszawski, Henryk also known as Henry Vars.

A-6588617, Warszawski, Danuta also known as Danuta Vars.

A-6300202, Weber, Regina Katz.
A-6300203, Katz, Isabella.
A-6694119, Witelson, Szlama Zelman.
A-6378710, Wysokier, Chalm.
A-6881797, Zasman, Genia alias Eugenia Salowienowitsch or Eugenia Solowinowicz.
A-6881713, Bekerman, Mordchaj.
A-6488132, Belski, Jehoszua.
A-6468182, Belski, Berta.
A-6536901, Bruck, Jonas.
A-6868023, Dzieciol, Jerzy.
A-6653294, Eisner, Herman.
A-6666978, Eisner, Malvina (nee Spira).
A-6849519, Engel, Morris or Moric.
A-6884250, Engel, Anna (nee Lampert).
A-7095952, Engel, Michael or Miroslav.
A-9560629, Gaika, Stefan.
A-6232280, Golebiowski, Alfred.
A-6440154, Herskovic, Martin.
A-6633048, Kahan, Magda Meisels.
A-2498207, Kovar, Frank or Frantisek.
A-7003025, Kovar, Anastazie.
A-7003024, Kovar, Mila or Miloslava.
A-2661069, Kovar, Stina or Anastazie.
A-6232281, Krolk, Hilary Tadeusz.
A-6671666, Ladner, Dawid.
A-6159527, Lyssy, Tadeusz Ludwik or Thaddeus Louis Lyssy.
A-6159528, Lyssy, Janina (nee Alexandrovicz) or Jane Lyssy.
A-6751951, Pinter, Izak.
A-6804025, Polak, Ester.
A-6911169, Poppr, Emanuel Leopold Jindrich Maria or Henry Poppr.
A-6918489, Poser, Reice Ruchel.
A-6918496, Poser, Isydor.
A-6965838, Puacz, Maria.
A-6965839, Puacz, Hanka.
A-6943764, Puacz, Leon Wladyslaw.
A-7057911, Radescu, Nicolae.
A-6703348, Rajchlin, Srul.
A-6844353, Seifick, Maria nee Hrdina.
A-6780171, Sosnowski, Stanislaw.
A-6780172, Sosnowska, Jadwiga.
A-9505272, Tammistu, Albert or Albert Torpel.
A-6508674, Turchan, Ota Karel or Otto Charles Turchan.
A-7476716, Vaher, Edgar Karl.
A-6445603, De Janosi, Peter Engel.
A-6761993, Abraham, Dezzo.
A-6887733, Battha, Maria.
A-6887734, Battha, Magda.
A-6887735, Battha, Margit.
A-6887736, Battha, Marta.
A-6576393, Berger, Ernest.
A-6985585, Bergmann, Ilsa.
A-6509273, Berkovic, Bernat.
A-6612861, Birnbaum, Menashe or Menasche.
A-6751950, Bluth, Israel.
A-6804006, Borek, Khos.
A-6991806, Borek, Fejga Cynamon.
A-6878051, Burian, Ondrej or Ondrej Brandstein.
A-6805628, Chanowicz, Rochla-Dwejra.
A-6851392, Chin, Mok Jee.
A-6364689, Denkowski, Wlodzimir Jerzy.
A-6778997, Deutsch, Gabriel.
A-6232283, Dubis, Marian.
A-6775690, Dzavik, Paul or Pavel Dzavik.
A-6843507, Elbogen, Andor.
A-6633725, Epszejn, Mojzesz.
A-6771842, Farkas, Tibor George.
A-7138245, Feiks, Madeleine.
A-6827812, Fernbach, Philip.
A-6499964, Fischer, Josef.
A-6606620, Fleischmann, Salamon.
A-6482571, Frankel, Rozalia.
A-6887761, Friedman, Martin.
A-6339691, Gansel, Emanuel.
A-6740256D, Garfunkel, Celas.
A-6427745, Geday, Mitri Hiknat.
A-6609637, Gluck, Alfred.
A-6739009, Gold, Rafail Petrovich.
A-6740585, Gold, Irene Aronovna.
A-6849315, Gold, Sarrah.
A-6897643, Harvey, Zoltan or Hidvegi.
A-6614505, Hirsch, Ruth.
A-6487504, Hladik, Jiri.

- A-6390162D, Hochlerer, Szloma Nechamja (Solomon Hochlerer).
 A-6776616, Hollo, Gyorgy (George).
 A-7243429, Hurych, Anna (nee Satrapova).
 A-6916352, Ionnitui, Nicolae Nicolae.
 A-7886244, Ivanov, Andrew Andreivich.
 A-6794953, Kamal, Muhammed Khaled Madhat or Mike or Khaled M. Kamal.
 A-6622750, Kamar, John M.
 A-6232282, Kaminski, Mieczyslaw Stanislaw.
 A-6931252, Kiss, Ferenc.
 A-6931253, Kiss, Ersebet.
 A-6855668, Klein, Julius.
 A-6855661, Klein, Ella.
 A-6857587, Kohn, Jenő.
 A-7069340, Kremer, Gyorgy.
 A-6691096, Kronenberg, Nachman.
 A-6611114, Kubina, Maria.
 A-6232284, Kus, Mieczyslaw Stanislaw.
 A-7053544, Kvasnica, Anna.
 A-6723291, Lamac, Karel Francis.
 A-6495781, Lembich, Olga Victorovna.
 A-6983562, Lepak, Arthur or Uszer Lepak or Usher Lepak.
 A-7198603, Mares, Vaclav.
 A-7198602, Mares, Elsa.
 A-7200129, Mares, Marianna.
 A-7200128, Mares, Erica.
 A-7200127, Mares, Tomas.
 A-7890388, Marlassy, Katalin.
 A-6371453, Minc, Mejer or Mintz.
 A-6819652, Neuhaus, Eugen.
 A-7879263, Nikielski, Teodor.
 A-7886503, Ors, Maria.
 A-5232739, Oscilowicz, Antoni Isydor.
 A-6702171D, Oszmianska, Alfreda (Sister Merceta Domina).
 A-6694320, Pal, Lajos or Louis Pal.
 A-6619265, Palagyi, Ladislav.
 A-6855660, Palkovic, Samuel.
 A-7095713, Perenyi, Margit Jozefa or Margaret Perenyi.
 A-6570464, Petracek, Helena Francisca.
 A-6555824, Pocztaruk, Israel.
 A-6719272, Pokorny, Viktor Joseph.
 A-6649519, Polena, Moroslav Vladimir.
 A-6694172, Polonski, Ela.
 A-6508275, Racko, Livia.
 A-6232253, Rataj, Tadeusz Stanislaw.
 A-6848192, Reisman, Zoltan.
 A-6231115, Rekawek, Janusz.
 A-9703324, Reski, Jakub Leib B.
 A-6857575, Rothmann, Aranka.
 A-6570360, Rubina, Dora.
 A-6517131, Scharfstein, Abraham.
 A-6536896, Spierer, Imrich.
 A-6341800, Szabason, Bernard or Boleslav Waslewski.
 A-7849801, Szczurkiewicz, Jan.
 A-9855666, Szollosi, Istvan or Etienne.
 A-6849502, Tennenbaum, Elie Jacques.
 A-6606623, Trutser, Eugen.
 A-7730659, Tu, Shu-Tung.
 A-9764682, Verban, Andrei.
 A-6839286, Viranyi, Leslie or Laszlo.
 A-6669912, Viranyi, Elizabeth.
 A-6751968, Wald, Herman.
 A-6877299, Weber, Jan Mieczyslaw.
 A-6886881, Zelanska, Cyla now Kowenski.
 A-6745093, Zimmerman, Aranka.
 A-6621584, Ziniewicz, Mikolaj.
 A-6850613, Abraham, Adolph.
 A-6694128, Ajzenberg, Mojzesz Gerszon.
 A-6881716, Anczelowicz, Wolf or Ancelowicz.
 A-6232250, Baranowski, Julian Piotr.
 A-6576339, Basch, David.
 A-6667189, Bem, Gina nee Pani Golda Frajda Kahan or Gina Kahan.
 A-6694125, Berel, Judel.
 A-6830508, Berger, Isaac.
 A-6638602, Berkowicz, Rywa.
 A-6663402, Berkowicz, Nachman.
 A-6645980, Berkowicz, Chaja.
 A-6327477, Bogdanovic, Darinka.
 A-6942781, Bona, Frano or Frano De Bona.
 A-6612857, Brody, Albert.
 A-9659290, Brunkevics, Janis.
 A-6669861, Brust, Elek.
 A-6669860, Brust, Livia (nee Schwarcz).
 A-6673675, Brust, Eva.
 A-6633760, Buchsbaum, Pinkas.
 A-7445834, Capek, Ivan.
 A-7130778, Casapu, George.
 A-6691614, Chaikin, Izrael.
 A-6824852, Cygler, Chaim Szyja.
 A-6824853, Cygler, Chana.
 A-6231158, Derecki, Jan Andrzej.
 A-6611666, Dietrich, Ilona Beke or Ilona Berger.
 A-6819075, Domb, Samuel.
 A-6709517, Draskovich, Slobodan Milorad.
 A-6991777, Duca, Georges John.
 A-6769949, Frankel, Salomon.
 A-6772286, Frankel, Majer.
 A-6484715, Friedman, Estera (nee Segal).
 A-6780706, Friedman, Isidor.
 A-6527572, Friedman, Victor.
 A-6887701, From, Naftali.
 A-9778189, Gadela, Roman or Gondela.
 A-6881718, Gandl, Edward.
 A-6694219, Gietelman, Ischok.
 A-6231157, Gleff, Robert George.
 A-6881773, Goldenberg, Kalman.
 A-6804026, Goldstein, Frida or Frida Goldsteinova.
 A-6252654, Goldstein, Bernard or Bernard Goldsztejn.
 A-6232287, Goleniowski, Ryszard Michal.
 A-6044956, Grablis, Janina (nee Ginzinska).
 A-6855657, Grelman, Boruch.
 A-6819641, Guzik, Jozef or Joseph.
 A-7802388, Guzowski, Andrej Przemyslaw.
 A-6457375, Hirsh, Gabriel Banat or Gavril Ioan Hirsch.
 A-7755822, Ho, David Kuang-Tse.
 A-6762001, Ickovicz, Abraham.
 A-6232286, Jablonski, Julian Wladyslaw.
 A-7849803, Jekely, Laszlo Jozsef or Jekeli or Laszlo Jozsef Jozsefovits.
 A-6231161, Jeziorski, Zygmunt Wladyslaw or Zeziorski.
 A-6884248, Juszt, Menyhart.
 A-6309601, Kalina, Karel Jan or Charles John Kakina.
 A-6309602, Kalina, Margaret or Marketa (nee Coufal).
 A-6309603, Kalina, Charles Rudolf or Kabel.
 A-6534356, Kallisz, Szymon or Simon Kalish.
 A-6694228, Kastrowicki, Dawid or David Kastrowicki.
 A-6626416, Kenigsberg, Sara.
 A-6735222, Kiss, Sarolta Felicia or Sarolta Kiss or Sister Felicia Sarolta Kiss.
 A-6855972, Klein, Francis or Frantisek.
 A-6612858, Kohn, Ernest.
 A-6122045, Kohn, Leopold.
 A-6884598, Kolega, Stjepan Yanko or Steve Kolega.
 A-6984661, Kukral, Jan Josef.
 A-6905825, Kunos, Jenő.
 A-6905826, Kunos, Edith Natalia.
 A-6905827, Kunos, Elizabeth.
 A-6905828, Kunos, Rose.
 A-6905829, Kunos, Arpad.
 A-6905830, Kunos, Tunde.
 A-6231162, Kwiatowski, Kazimierz.
 A-6905295, Lazar, Juliana.
 A-6905294, Pinter, Maria.
 A-6813477, Leslie, Maria.
 A-6232222, Lichodziejewski, Czeslaw.
 A-6769276, Liebhart, Pinkas.
 A-6505204, Lowy, Livia (nee Spitzer).
 A-5915283, Lukic, Vincent.
 A-9765997, Marovic, Josip Ivan.
 A-6703340, Maruch, Mowsza.
 A-6546162, Mashal, Salman Ibrahim.
 A-7046199, Mate, Miklos Vazul.
 A-7046200, Mate, Maria Estany (Maria Barbath).
 A-6774472, Michalova, Dagmar.
 A-7469013, Mijuskovic, Maksim Lazare.
 A-7841175, Mijuskovic, Ines Antoinette.
 A-7841174, Mijuskovic, Lazare Max.
 A-6699350, Molnar, Paul.
 A-6819076, Muller, Rafael Mayer or Mueller.
 A-6431519, Neuman, Henri.
 A-6592280, Neuman, Maria.
 A-9836114, Nazitans, Ignats.
 A-6704674, Nykciel, Stefania.
 A-6775667, Obrician, Vladimir Fedor.
 A-6470566, Paspisilova, Jana Milada Louisa Frantiska Marie.
 A-6862801, Pasternak, Madgalina (nee Reich).
 A-6704215, Pastula, Leokadia Tekla.
 A-6439601, Petkovic, Sima Mladen.
 A-6685983, Platowski, Naftaki.
 A-6685924, Platowski, Arie-Lejb.
 A-6694167, Podrabinek, Pinchos.
 A-6804017, Porges, Eta (nee Neufeld).
 A-7073888, Roman, Klara or Klara Goltzieher Roman.
 A-6897790, Romanul, Flaviu Cornel Alexandru.
 A-6718761, Rozen, Nosen.
 A-6368651, Rubinowitz, Dora or Dora Rubinowicz.
 A-6628413, Ryiakiewicz, Mieczyslaw.
 A-6780187, Schiller, Mirosław Fred.
 A-6617277, Sfeir, Elie Nasri.
 A-6935144, Sigal, Anna.
 A-6492717, Sijartova-Hajdukova, Anna or Sister M. Alzbeta or Sister M. Elizabeth Sijarto.
 A-6920576, Skarzynski, Kazimierz.
 A-7903753, Soboszczyk, Wilhelm.
 A-6610299, Spitzer, Albert.
 A-6819092, Stein, Dionyz.
 A-6884216, Steiner, Alfred.
 A-6345531, Stern, Wolf.
 A-6985619, Szanto, Magda or Magdolna.
 A-6523821, Taska, Jaroslav Stephen.
 A-6772204, Teleki, Arved.
 A-6930153, Vari, Alexander.
 A-6878612, Vari, Viola (nee Fodorova).
 A-9777134, Vatauvuk, Ante or Anthony Vatauvuk.
 A-6816790, Vosnjak, Bagumil Michel.
 A-6231160, Valawender, Antoni Stanislaw.
 A-6794683, Wiesenfeld, Mellech.
 A-9738587, Zunde, Klaus Ilgvars.
 A-6850610, Zupnick, Mark Mendel.
 A-6895942, Vasvari, Michael Mihaly.
 A-6504931, Lewandowska, Barbara Dunin-Brzesinska.
 A-6990740, Kertesz, Hilda.
 A-9651353, Ots, Harald.
 A-7283296, Butculescu, Nicolai-Marin or Nicu.
 A-7283297, Butculescu, Simona-Jeana or Simone (nee Rallet).
 A-6805596, Litov, Tzvetan Alexandre.
 A-6936468, Fousek, Maria Sasha.
 A-7198376, Franek, Mikulas.
 A-6195060, Marik, Paul Louis.
 A-6439952, Birkenmayer, Sigmund Stanley or Zygmunt Stanislaw Birkenmajer.
 A-7360474, Jarfas, Anna.
 A-7292639, Kemeny, Janos or John.
 A-7292640, Kemeny, Gertrude (nee Klingenberg).
 A-6904744, Ruzek, Jan Marcel.
 A-7052466, Stern, Gustav.
 A-6407866, Sworakowski, Witold Saturnin.
 A-6470586, Sworakowski, Helena (nee Krzwicka).
 A-6432305, Sworakowski, Michael Thomas.
 A-6598066, Klein, Ellasz.
 A-6506796, Riege, Carl Ralph.
 A-6794730, Zaborsky, Janos Nandor or John Zaborsky.
 A-6461149, Riukas, Stanislaus Rev.
 A-7116347, Horvath, Peter, Jr.
 A-7069097, Janowski, Bronislaw.
 A-6475701, Kornitzer, Bela.

The concurrent resolution was agreed to.

A motion to reconsider was laid on the table.

SENATE COMMITTEE ON LABOR AND PUBLIC WELFARE

The Clerk called the bill (S. 630) to suspend until August 15, 1951, the application of certain Federal laws with respect to an attorney employed by the Senate Committee on Labor and Public Welfare.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That service or employment of Ray R. Murdock as an attorney on a temporary basis prior to August 15, 1951, to assist the Senate Committee on Labor and Public Welfare or any of its duly authorized subcommittees shall not be considered as service or employment bringing such person within the provisions of sections 281, 283, or 284, of title 18 of the United States Code, or of any other Federal law imposing restrictions, requirements, or penalties in relation to the employment of persons, the performance of service, or the payment or receipt of compensation in connection with any claim, proceeding, or matter now pending in court and involving the United States.

The bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

RUTH ALICE CRAWSHAW

The Clerk called the bill (S. 652) for the relief of Ruth Alice Crawshaw.

Mr. ASPINALL. Mr. Speaker, I ask unanimous consent that this bill be passed over without prejudice.

Mr. COTTON. Mr. Speaker, reserving the right to object, I want to ask the gentleman some questions concerning this bill.

The SPEAKER. The gentleman from Colorado [Mr. ASPINALL] is asking unanimous consent that the bill be passed over without prejudice, and there can be no reservation of objection under the circumstances.

Mr. COTTON. Mr. Speaker, I withdraw my reservation of objection.

The SPEAKER. Is there objection to the request of the gentleman from Colorado?

There was no objection.

FRED P. HINES

The Clerk called the bill (S. 827) for the relief of Fred P. Hines.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the Administrator of Veterans' Affairs is authorized and directed to pay, out of any money available for the payment of compensation and allowances to veterans, to Fred P. Hines (C-238-9074), of Minot, N. D., the sum of \$778.78, representing the amount necessary to pay private medical and hospital expenses incurred by him incident to an emergency operation when his physical condition was such that he could not be removed to a Veterans' Administration hospital: *Provided,* That no part of the amount appropriated in this act in excess of 10 percent thereof shall be paid or delivered to or received by any agent or attorney on account of services rendered in connection with this claim, and the same shall be unlawful, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding \$1,000.

The bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

E. C. BROWDER AND CHARLES KEYLON

The Clerk called the bill (S. 1474) for the relief of E. C. Browder and Charles Keylon.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the Secretary of the Treasury is authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, to E. C. Browder and Charles Keylon, of Harriman, Tenn., the sum of \$4,800, in full satisfaction of their claim against the United States for damages sustained by them when they were notified by the United States Government that condemnation proceedings previously instituted against the farm of E. C. Browder had been abandoned, and then notified at a later date that the Government intended to go forward with its condemnation proceedings, which actions by the Government caused the sale, purchase, and resale of farm equipment by E. C. Browder and his partner, Charles Keylon, and interfered substantially with farming operations: *Provided,* That no part of the amount appropriated in this act in excess of 10 percent thereof shall be paid or delivered to or received by any agent or attorney on account of services rendered in connection with this claim, and the same shall be unlawful, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding \$1,000.

The bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

FOR RELIEF OF CERTAIN CLAIMANTS AGAINST THE UNITED STATES IN THE EXPLOSION OF MUNITIONS TRUCK BETWEEN SMITHFIELD AND SELMA, N. C.

The Clerk called the resolution (H. Res. 319) for the relief of certain claimants against the United States who suffered personal injuries, property damage, or other loss as a result of the explosion of a munitions truck between Smithfield and Selma, N. C., on March 7, 1942.

There being no objection, the Clerk read the resolution, as follows:

Resolved, That the bill (H. R. 4584) entitled "A bill for the relief of certain claimants against the United States who suffered personal injuries, property damage, or other loss as a result of the explosion of a munitions truck between Smithfield and Selma, N. C., on March 7, 1942," now pending in the House of Representatives, together with all accompanying papers, is hereby referred to the United States Court of Claims pursuant to sections 1492 and 2509 of title 28, United States Code; and said court shall proceed expeditiously with the same in accordance with the provisions of said sections and report to the House, at the earliest practicable date, giving such findings of fact and conclusions thereon as shall be sufficient to inform the Congress of the nature and character of the demand, as a claim legal or equitable, against the United States, and the amount, if any, legally or equitably due from the United States to the claimants.

The resolution was agreed to.

A motion to reconsider was laid on the table.

HARVEY MCFARLAND

The Clerk called the bill (H. R. 1128) for the relief of Harvey McFarland.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the Secretary of the Treasury be, and he is hereby, authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, the

sum of \$14,000 to Harvey McFarland, of Everett, Wash., in full settlement of all claims against the United States sustained as a result of an accident involving a United States Army vehicle on October 27, 1949, at the intersection of Broadway and California Street, in the city of Everett, Wash. The driver of such Army vehicle was not acting within the scope of his employment when said accident occurred: *Provided,* That no part of the amount appropriated in this act in excess of 10 percent thereof shall be paid or delivered to or received by any agent or attorney on account of services rendered in connection with this claim, and the same shall be unlawful, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding \$1,000.

With the following committee amendments:

Page 1, line 5, strike out "\$14,000", and insert "\$10,000."

Page 1, line 6, after the name "McFarland", insert "and the sum of \$14,000 to Laurance Anthony Warnock, both."

Page 1, line 7, after the name "States" insert "for personal injuries."

The committee amendments were agreed to.

The bill was ordered to be engrossed and read a third time, and was read the third time, and passed.

The title was amended so as to read: "A bill for the relief of Harvey McFarland and Laurance Anthony Warnock."

A motion to reconsider was laid on the table.

MRS. SYLVIA SIMONSON

The Clerk called the bill (H. R. 1825) for the relief of Mrs. Sylvia Simonson.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the Secretary of the Treasury be, and he is hereby, authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, the sum of \$5,000 to Mrs. Sylvia Simonson, of South 809 Freya Street, Spokane, Wash., in full settlement of all claims against the United States for personal injuries and medical and hospital expenses sustained as a result of an accident while directly serving the Armed Forces as an instructor pilot for the training school rendering training instruction to the Three Hundred Nineteenth College Training Detachment, Pullman, Wash., on December 28, 1943: *Provided,* That no part of the amount appropriated in this act in excess of 10 percent thereof shall be paid or delivered to or received by any agent or attorney on account of services rendered in connection with this claim, and the same shall be unlawful, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding \$1,000.

With the following committee amendment:

Page 1, line 5, strike out "\$10,000" and insert "\$5,000".

The committee amendment was agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

BOLINROSS CHEMICAL CO., INC.

The Clerk called the bill (H. R. 1829) conferring jurisdiction upon the Court of Claims to hear, determine, and render judgment upon the claim of the Bolinross Chemical Co., Inc.

Mr. D'EWART. Mr. Speaker, I ask unanimous consent that this bill be passed over without prejudice.

The SPEAKER. Is there objection to the request of the gentleman from Montana?

There was no objection.

MRS. BEVERLY BRUNELL ROTH

The Clerk called the bill (H. R. 2510) for the relief of Mrs. Beverly Brunell Roth.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the Secretary of the Treasury is hereby authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, to Mrs. Beverly Brunell Roth, Woodside, Long Island, N. Y., the sum of \$75,000. The payment of such sum shall be in full settlement of all claims of the said Mrs. Beverly Brunell Roth against the United States arising out of personal injuries sustained by her on the island of Saipan on October 16, 1945, when she was thrown through the windshield of a Government vehicle in which she was being transported as a member of United Services Organizations Unit 615. An action in the appropriate United States district court by the said Mrs. Beverly Brunell Roth to recover for such injuries was dismissed on the ground that for the purposes of chapter 171 of title 28, United States Code, Saipan is a foreign country: *Provided*, That no part of the amount appropriated in this act in excess of 10 percent thereof shall be paid or delivered to or received by any agent or attorney on account of services rendered in connection with this claim, and the same shall be unlawful, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall not be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding \$1,000.

With the following committee amendment:

Page 1, line 6, strike out "\$75,000" and insert in lieu thereof "\$7,500."

The committee amendment was agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

CHARLES W. VANDERHOOP

The Clerk called the bill (H. R. 2546) for the relief of Charles W. Vanderhoop.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the Secretary of the Treasury be, and he is hereby, authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, the sum of \$639.39 to Charles W. Vanderhoop, of Gay Head, Mass., in full settlement of all claims against the United States for adjustment of retirement pay for the period January 1, 1933, to December 29, 1937, as a retired employee of the former Lighthouse Service of the Coast Guard.

With the following committee amendment:

Page 1, line 10, after the word "Guard" insert ": *Provided*, That no part of the

amount appropriated in this act in excess of 10 percent thereof shall be paid or delivered to or received by any agent or attorney on account of services rendered in connection with this claim, and the same shall be unlawful, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding \$1,000."

The committee amendment was agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

CHRISTIAN & CO., INC.

The Clerk called the bill (H. R. 2626) for the relief of Christian & Co., Inc., of Pittsburgh, Pa.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the Secretary of the Treasury be, and he is hereby, authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, the sum of \$3,990 to Christian & Co., Inc., of Pittsburgh, Pa., in full settlement of all claims against the United States growing out of contract No. FSC-27849, dated September 17, 1942, with the Federal Surplus Commodities Corporation, Department of Agriculture.

With the following committee amendment:

Page 1, line 10, after the word "Agriculture", insert ": *Provided*, That no part of the amount appropriated in this act in excess of 10 percent thereof shall be paid or delivered to or received by any agent or attorney on account of services rendered in connection with this claim, and the same shall be unlawful, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding \$1,000."

The committee amendment was agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

HARRINGTON & GRAHAM

The Clerk called the bill (H. R. 2672) for the relief of the law firm of Harrington & Graham.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the Secretary of the Treasury is authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, to the law firm of Harrington & Graham, Washington, D. C., the sum of \$10,938.16. The payment of such sum shall be in full settlement of the claim of such firm against the United States for compensation for services rendered from September 1947 to June 1950, and for out-of-pocket expenses incurred by such firm in connection with the ultimately successful defense and exoneration of Toneo Shirakura and Osamu Watanabe, certain Japanese sergeants wrongfully accused, convicted, and sentenced to be hanged as violators of the laws and customs of war by the United States of America.

With the following committee amendment:

Page 1, line 6, strike out "\$10,938.16" and insert "\$438.16."

Page 1, line 9, strike out "compensation for services rendered from September 1947 to June 1950, and for."

Page 1, line 11, strike out the words "ultimately successful."

Page 2, line 1, after the word "defense", strike out "and exoneration."

Page 2, line 5, insert ": *Provided*, That no part of the amount appropriated in this act in excess of 10 percent thereof shall be paid or delivered to or received by any agent or attorney on account of services rendered in connection with this claim, and the same shall be unlawful, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding \$1,000."

The committee amendments were agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

ELAINE DOVICO

The Clerk called the bill (H. R. 3128) for the relief of Elaine Dovico.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the Secretary of the Treasury is authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, to Elaine Dovico, of 6535 Haverford Avenue, Philadelphia, Pa., the sum of \$2,418.60. The payment of such sum shall be in full settlement of all claims of the said Elaine Dovico against the United States arising out of the loss of personal property sustained by her as a result of a fire in the post exchange of Fort Richardson, Alaska, on November 28, 1946: *Provided*, That no part of the amount appropriated in this act in excess of 10 percent thereof shall be paid or delivered to or received by any agent or attorney on account of services rendered in connection with this claim, and the same shall be unlawful, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding \$1,000.

With the following committee amendment:

Page 1, line 6, strike out "\$2,418.60" and insert "\$2,071."

The committee amendment was agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

ROOSEVELT POLLARD, THE GENERAL EXCHANGE INSURANCE CORP., AND FRED WARREN

The Clerk called the bill (H. R. 3789) for the relief of Roosevelt Pollard, the General Exchange Insurance Corp., and Fred Warren.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the Secretary of the Treasury is authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, (1) to Roosevelt Pollard, Detroit, Mich., and the General Exchange Insurance Corp., a corporation of the State of New York, a sum sufficient (not to exceed \$346.10) to satisfy the judgment recovered by them against Fred Warren, Detroit, Mich., on December 19, 1950, in the common pleas court of the city of Detroit,

and (2) to the said Fred Warren, a sum equal to \$346.10 less the amount paid by the Secretary of the Treasury under clause (1), but in no case to exceed the total amount which may have been paid by the said Fred Warren in partial or full satisfaction of such judgment. The payment of the sum specified in clause (1) shall be in full settlement of all claims, including such judgment, of the said Roosevelt Pollard and the said General Exchange Insurance Corp. against the United States and the said Fred Warren arising out of a collision which occurred in Detroit, Mich., on October 11, 1949, and which involved a mail truck operated by the said Fred Warren as an employee of the United States postal service. The payment of the sum specified in clause (2) shall be in full satisfaction of all claims of the said Fred Warren against the United States for indemnification for losses he suffered by reason of the judgment recovered against him as a result of such collision: *Provided*, That no part of the amount appropriated in this act for the payment of any one claim in excess of 10 percent thereof shall be paid or delivered to or received by any agent or attorney on account of services rendered in connection with such claim, and the same shall be unlawful, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding \$1,000.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

ESTATE OF JAKE JONES, DECEASED

The Clerk called the bill (H. R. 4154) for the relief of the estate of Jake Jones, deceased.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the Secretary of the Treasury is authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, to the estate of Jake Jones, deceased, of Gallatin, Tenn., the sum of \$5,000. The payment of such sum shall be in full settlement of all claims of the estate of the late said Jake Jones against the United States arising out of injuries he sustained on December 20, 1943, while attempting to extinguish a fire caused by members of the United States Army who were on maneuvers in the vicinity of the home of the late said Jake Jones: *Provided*, That no part of the amount appropriated in this act in excess of 10 percent thereof shall be paid or delivered to or received by any agent or attorney on account of services rendered in connection with this claim, and the same shall be unlawful, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding \$1,000.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

MRS. LORENE M. WILLIAMS

The Clerk called the bill (H. R. 4228) for the relief of Mrs. Lorene M. Williams.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the Secretary of the Treasury is authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, to Mrs. Lorene M. Williams, New Egypt, N. J., the sum of \$10,225.50. Payment of such sum be in full settlement of all claims of the said Mrs.

Lorene M. Williams (wife of Sgt. First Class Herman C. Williams, U. S. Army) against the United States arising out of injuries she sustained in Nuremberg, Germany, on May 26, 1949, when the Army vehicle in which she was riding as a passenger was struck by a railroad train: *Provided*, That no part of the amount appropriated in this act in excess of 10 percent thereof shall be paid or delivered to or received by any agent or attorney on account of services rendered in connection with this claim, and the same shall be unlawful, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding \$1,000.

With the following committee amendment:

Page 1, line 6, strike out "\$10,225.50" and insert "\$6,225.50."

The committee amendment was agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

LEWYT CORP.

The Clerk called the bill (H. R. 4931) for the relief of Lewyt Corp.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the Secretary of the Treasury be, and he is hereby, authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, the sum of \$12,172.37, to Lewyt Corp., of New York City, in full settlement of all claims against the United States for losses sustained by said corporation in the performance of fixed-price contract No. Cca-25755, dated June 27, 1947, for the manufacture for the Civil Aeronautics Administration of various monitor alarm receivers, which losses resulted from a bid based on a clerical error in transposing from one worksheet to another the figure representing the estimated cost of material: *Provided*, That no part of the amount appropriated in this act in excess of 10 percent thereof shall be paid or delivered to or received by any agent or attorney on account of services rendered in connection with this claim, and the same shall be unlawful, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding \$1,000.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

GLADYS J. MCCARTHY

The Clerk called the bill (H. R. 4953) for the relief of Gladys J. McCarthy.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the Secretary of the Treasury be, and he is hereby, authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, to Gladys J. McCarthy, 1421 Kalakaua Avenue, Honolulu, Territory of Hawaii, the sum of \$30,000 in full settlement of all claims against the United States for the loss of an established business and for all losses of personal and business effects suffered as a result of her forced evacuation by Government officials from the Territory of Hawaii, which evacuation was unauthorized and unlawful since she was a domiciliary of Hawaii and as such was not comprehended within the Sec-

retary of Navy's evacuation order: *Provided*, That no part of the amount appropriated in this act in excess of 10 percent thereof shall be paid to or received by any agent or attorney on account of services rendered in connection therewith, and the same shall be unlawful, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding \$1,000.

With the following committee amendment:

Page 1, line 7, strike out "\$30,000" and insert "\$5,000."

The committee amendment was agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

SUZANNE CHOW HSIA ET AL

The Clerk called the bill (H. R. 710) for the relief of Mrs. Suzanne Chow Hsia and her son, Sven Erik Hsia.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That, for the purposes of the immigration and naturalization laws, Mrs. Suzanne Chow Hsia and her son, Sven Erik Hsia, who entered the United States at New York, N. Y., on March 21, 1950, under visas granted under section 3 (2) of the Immigration Act of 1924, shall be held and considered to have been lawfully admitted, as of such date, to the United States for permanent residence. Upon the enactment of this act, the Secretary of State shall instruct the proper quota-control officer to deduct two numbers from the proper immigration quota for the first year such quota is available.

With the following committee amendment:

Beginning on line 5, after the name "Erik Hsia," strike out the remainder of the bill and substitute in lieu thereof the following: "shall be held and considered to have been lawfully admitted to the United States for permanent residence as of the date of the enactment of this act, upon the payment of the required visa fees and head taxes. Upon the granting of permanent residence to such aliens as provided for in this act, the Secretary of State shall instruct the proper quota-control officer to deduct two numbers from the number of displaced persons who shall be granted the status of permanent residence pursuant to section 4 of the Displaced Persons Act, as amended (62 Stat. 1011; 64 Stat. 219, 50 U. S. C. App. 1953)."

The committee amendment was agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

GEORGE LUKES

The Clerk called the bill (H. R. 711) for the relief of George Lukes.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That, in the administration of the immigration laws, the provisions of section 13 (c) of the Immigration Act of 1924, as amended, shall not apply to George Lukes, half-Japanese minor child, and the said George Lukes shall be held and considered to be the alien natural-born child of Sergeant and Mrs. George W. Tillman, United States citizens.

With the following committee amendment:

Page 1, line 6, after the word "and" insert: "that for the purposes of sections 4 (a) and 9 of the said act."

The committee amendment was agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

MARIA SARANDREA

The Clerk called the bill (H. R. 2669) for the relief of Maria Sarandrea.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That, in the administration of the immigration and naturalization laws, the Attorney General is authorized and directed to record the lawful admission for permanent residence of the alien, Maria Sarandrea, as of the date on which she last entered the United States temporarily as a visitor in July of 1948, if she is otherwise admissible under the provisions of the immigration laws, upon the payment of the visa fee and head tax. Upon the enactment of this act the Secretary of State shall instruct the proper quota-control officer to deduct one number from the Italian quota for the first year such quota is available.

With the following committee amendment:

Strike out all after the enacting clause and insert in lieu thereof the following: "That for the purposes of the immigration and naturalization laws, Maria Sarandrea shall be held and considered to have been lawfully admitted to the United States for permanent residence as of the date of the enactment of this act, upon payment of the required visa fee and head tax. Upon the granting of permanent residence to such alien as provided for in this act, the Secretary of State shall instruct the proper quota-control officer to deduct one number from the appropriate quota for the first year that such quota is available."

The committee amendment was agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

MEGUMI TAKAGI

The Clerk read the bill (H. R. 3731) for the relief of Megumi Takagi.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That, solely for the purpose of section 4 (a) and section 9 of the Immigration Act of 1924, as amended, and notwithstanding any provisions excluding from admission to the United States persons of races ineligible to citizenship, Megumi Takagi (also known as Senda Dally), a minor half-Japanese child, shall be considered the alien natural-born child of Master Sgt. and Mrs. Thomas V. Dally, citizens of the United States.

With the following committee amendments:

On line 8, after the words "shall be considered", insert the words "to be."

On line 9 strike out the words "Master Sergeant" and substitute in lieu thereof the word "Lieutenant."

The committee amendments were agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

YUTAKA NAKAEDA

The Clerk called the bill (H. R. 3818) for the relief of Yutaka Nakaeda.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That, in the administration of the immigration and naturalization laws, Yutaka Nakaeda, who entered the United States at the port of Honolulu, Hawaii, on October 16, 1917, shall be deemed to have been lawfully admitted to the United States for permanent residence as of October 16, 1917, upon payment of the required visa fees and head taxes.

With the following committee amendment:

Strike out all after the enacting clause and insert in lieu thereof the following: "That for the purposes of the immigration and naturalization laws, Yutaka Nakaeda shall be held and considered to have been lawfully admitted to the United States for permanent residence as of the date of the enactment of this act, upon payment of the required visa fee and head tax. Upon the granting of permanent residence to such alien as provided for in this act, the Secretary of State shall instruct the proper quota-control officer to deduct one number from the appropriate quota for the first year that such quota is available."

The committee amendment was agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

CECELIA WAHLS

The Clerk called the bill (H. R. 4688) for the relief of Cecelia Wahls.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That, in the administration of the immigration laws, section 13 (c) of the Immigration Act of 1924, as amended, shall not apply to Cecelia Wahls, minor child under the care of Master Sgt. D. E. Wahls and Mrs. Virginia M. Wahls, citizens of the United States. For the purposes of sections 4 (a) and 9 of the Immigration Act of 1924, as amended, the said Cecelia Wahls shall be held and considered to be the natural-born alien child of the said Master Sgt. D. E. Wahls and Mrs. Virginia Wahls.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

GEORGE FRANCIS HAMMERS

The Clerk called the bill (H. R. 4756) for the relief of George Francis Hammers.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That, notwithstanding any provision of law excluding from admission to the United States persons of race ineligible to citizenship, George Francis Hammers, a minor child under the care of Tech. Sgt. and Mrs. John W. Hammers, both citizens of the United States residing temporarily in Japan, shall be held and considered for the purposes of sections 4 (a) and 9 of the Immigration Act of 1924, as amended, to be the natural-born alien child of the said Tech. Sgt. and Mrs. John W. Hammers.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

RAYMOND B. JEFFREY

The Clerk called the resolution (H. Res. 383) providing for sending to the United States Court of Claims the bill (H. R. 3131) for the relief of Raymond B. Jeffrey.

There being no objection, the Clerk read the resolution, as follows:

Resolved, That the bill (H. R. 3131) entitled "A bill for the relief of Raymond B. Jeffrey," together with all accompanying papers, is hereby referred to the United States Court of Claims pursuant to sections 1492 and 2509 of title 28, United States Code; and said court shall proceed expeditiously with the same in accordance with the provisions of said sections and report to the House, at the earliest practicable date, giving such findings of fact and conclusions thereon as shall be sufficient to inform the Congress of the nature and character of the demand, as a claim legal or equitable, against the United States, and the amount, if any, legally or equitably due from the United States to the claimant.

The House resolution was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

AUTHORIZING SECRETARY OF THE INTERIOR TO ISSUE A PATENT IN FEE TO LOUIS W. MILLIKEN

The Clerk called the bill (H. R. 4219) authorizing the Secretary of the Interior to issue a patent in fee to Louis W. Milliken.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the Secretary of the Interior is authorized and directed to issue to Louis W. Milliken a patent in fee to the following-described lands on the Crow Indian Reservation, Mont.: lots 4, 9, and 10, section 31, township 4 south, range 27 east, Montana principal meridian; lot 5, section 8, township 5 south, range 27 east, Montana principal meridian; east half of the southeast quarter, section 26, township 4 south, range 26 east, Montana principal meridian; and lot 1 and the southeast quarter of the northeast quarter, section 1, township 5 south, range 26 east, Montana principal meridian, containing three hundred eight and twenty-eight one-hundredths acres.

With the following committee amendment:

Page 1, line 9, strike out "26" and insert "36."

The committee amendment was agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

AUTHORIZING SECRETARY OF THE INTERIOR TO ISSUE A PATENT IN FEE TO URSULA RUTHERFORD OLLINGER

The Clerk called the bill (H. R. 4351) authorizing the Secretary of the Interior to issue a patent in fee to Ursula Rutherford Ollinger.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the Secretary of the Interior is authorized and directed to

issue to Ursula Rutherford Ollinger a patent in fee to the following-described lands on the Crow Indian Reservation, Mont.: Lots 7, 8, 9, and 10 of section 6; lots 1, 2, 3, and 4, the east half of the west half and the east half of section 7; and lot 1, the northeast quarter of the northwest quarter and the northeast quarter of section 18, township 2 south, range 31 east, Montana principal meridian, containing one thousand sixteen and twenty-one one-hundredths acres more or less.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

AUTHORIZING THE SECRETARY OF THE INTERIOR TO ISSUE A PATENT IN FEE TO MARY RUTHERFORD SPEARSON

The Clerk called the bill (H. R. 4352) authorizing the Secretary of the Interior to issue a patent in fee to Mary Rutherford Spearson.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the Secretary of the Interior is authorized and directed to issue to Mary Rutherford Spearson a patent in fee to the following-described lands on the Crow Indian Reservation, Mont.: Lots 5, 6, 7, and 8 of section 5; section 8; the west half of the west half of section 9; and the north half of the northwest quarter of section 17, township 2 south, range 31 east, Montana principal meridian, containing one thousand forty-one and ninety-two one-hundredths acres, more or less.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

AUTHORIZING SALE OF CERTAIN ALLOCATED LAND ON THE CROW RESERVATION, MONT.

The Clerk called the bill (S. 818) to authorize the sale of certain allocated land on the Crow Reservation, Mont.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the Secretary of the Interior, upon application in writing, is hereby authorized to sell the homestead allotment numbered 3507 of Ellsworth Schroeder, described as the southwest quarter of the northwest quarter, the east half of the northwest quarter, and the northeast quarter of section 29; the west half of the northwest quarter and the west half of the east half of the northwest quarter in section 28, township 9 south, range 34 east, Montana principal meridian, containing approximately four hundred acres, and to disburse the proceeds of such sale for the benefit of Ellsworth Schroeder.

The bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

AUTHORIZING SECRETARY OF THE INTERIOR TO ISSUE A PATENT IN FEE TO LUCILLE ELLEN SANDERS GROH

The Clerk called the bill (S. 1033) authorizing the Secretary of the Interior to issue a patent in fee to Lucille Ellen Sanders Groh.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the Secretary of the Interior is authorized and directed to issue a patent in fee to Lucille Ellen Sanders Groh for the following-described land in

the State of Montana: The south half of the southeast quarter of section 27, and all of section 34, township 4 south, range 28 east, Montana principal meridian, containing approximately 720 acres.

SEC. 2. (a) The lands herein described shall not be sold after the date of enactment of this act to any purchaser other than the Crow Tribe or a member thereof, unless (1) at least 60 days prior to such sale the superintendent of the Crow Agency shall have been served with notice of the terms thereof and a copy of such notice, together with a description of the lands, shall have been posted by the superintendent in a conspicuous public place at such agency and have remained posted for a period of 60 days, and (2) prior to the expiration of such 60 days no bona fide offer in writing to purchase such land upon the terms specified in such notice, or upon terms more favorable to the owner, shall have been made by the Crow Tribe or any member thereof and a copy thereof served upon the superintendent of the Crow Agency.

(b) A certificate of the superintendent of the Crow Agency stating that notice of the proposed sale was served upon him and was posted by him for a period of 60 days in accordance with the provisions of clause (1) of subsection (a) and that no offer was received in accordance with clause (2) of such subsection, when filed and recorded in the office of the county clerk and recorder of the county in which such lands are situated shall be conclusive evidence of compliance with this section. The superintendent shall furnish the certificate to the purchaser for filing and recording.

The bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

AUTHORIZING SECRETARY OF THE INTERIOR TO ISSUE A PATENT IN FEE TO JULIA JACKSON SANDERS

The Clerk called the bill (S. 1034) authorizing the Secretary of the Interior to issue a patent in fee to Julia Jackson Sanders.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the Secretary of the Interior is authorized and directed to issue a patent in fee to Julia Jackson Sanders for the following-described lands in the State of Montana: The north half of the north half of section 28, and the south half of the southeast quarter in section 21, all in township 4 south, range 28 east, Montana principal meridian, containing approximately 240 acres.

SEC. 2. (a) The lands herein described shall not be sold after the date of enactment of this act to any purchaser other than the Crow Tribe or a member thereof, unless (1) at least 60 days prior to such sale the Superintendent of the Crow Agency shall have been served with notice of the terms thereof and a copy of such notice, together with a description of the lands, shall have been posted by the superintendent in a conspicuous public place at such agency and have remained posted for a period of 60 days, and (2) prior to the expiration of such 60 days no bona fide offer in writing to purchase such land upon the terms specified in such notice, or upon terms more favorable to the owner, shall have been made by the Crow Tribe or any member thereof and a copy thereof served upon the Superintendent of the Crow Agency.

(b) A certificate of the Superintendent of the Crow Agency stating that notice of the proposed sale was served upon him and was posted by him for a period of 60 days in accordance with the provisions of clause (1)

of subsection (a) and that no offer was received in accordance with clause (2) of such subsection, when filed and recorded in the office of the county clerk and recorder of the county in which such lands are situated shall be conclusive evidence of compliance with this section. The Superintendent shall furnish the certificate to the purchaser for filing and recording.

The bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

AUTHORIZING SECRETARY OF THE INTERIOR TO ISSUE A PATENT IN FEE TO JULIA JACKSON SANDERS

The Clerk called the bill (S. 1036) authorizing the Secretary of the Interior to issue a patent in fee to Julia Jackson Sanders.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the Secretary of the Interior is authorized and directed to issue a patent in fee to Julia Jackson Sanders for the following-described lands in the State of Montana: The north half and the southwest quarter, and the north half of the southeast quarter of section 27, and the south half of the southwest quarter in section 22, all in township 4 south, range 28 east, Montana principal meridian, containing approximately 640 acres.

SEC. 2. (a) The lands herein described shall not be sold after the date of enactment of this act to any purchaser other than the Crow Tribe or a member thereof, unless (1) at least 60 days prior to such sale the Superintendent of the Crow Agency shall have been served with notice of the terms thereof and a copy of such notice, together with a description of the lands, shall have been posted by the superintendent in a conspicuous public place at such agency, and have remained posted for a period of 60 days, and (2) prior to the expiration of such 60 days no bona fide offer in writing to purchase such land upon the terms specified in such notice, or upon terms more favorable to the owner, shall have been made by the Crow Tribe or any member thereof and a copy thereof served upon the Superintendent of the Crow Agency.

(b) A certificate of the Superintendent of the Crow Agency stating that notice of the proposed sale was served upon him and was posted by him for a period of 60 days in accordance with the provisions of clause (1) of subsection (a) and that no offer was received in accordance with clause (2) of such subsection, when filed and recorded in the office of the county clerk and recorder of the county in which such lands are situated shall be conclusive evidence of compliance with this section. The Superintendent shall furnish the certificate to the purchaser for filing and recording.

The bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

RHODA AKIKO NISHIYAMA

The Clerk called the bill (H. R. 1236) for the relief of Rhoda Akiko Nishiyama.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That, notwithstanding the provisions of section 13 (c) of the Immigration Act of 1924, as amended, Rhoda Akiko Nishiyama, the minor daughter of a permanent resident of the United States, shall be deemed to be a nonquota immigrant if otherwise admissible under the immigration laws.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

WILLIAM E. GILLESPIE, JR.

The Clerk called the bill (H. R. 3898) for the relief of William E. Gillespie, Jr. There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That, in the administration of subsection (f) of section 1, title I of the act entitled "An act to maintain the credit of the United States Government," approved March 20, 1933, as amended (U. S. C., title 38, sec. 701), and in the administration of parts VII and VIII of Veterans Regulation No. 1 (a), as amended, William E. Gillespie, Jr., of Colliers, W. Va., who was honorably discharged from the Enlisted Reserve Corps, Army of the United States, on June 20, 1945, after having sustained severe personal injuries resulting in the amputation of his left arm, October 23, 1944, while undergoing Army specialized training at Ohio State University, Columbus, Ohio, shall be held and considered to have served ninety days in the active military service after September 16, 1940, and prior to the termination of World War II, and to have been discharged from such service by reason of an actual service-incurred injury or disability.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

SUSPENSION OF DEPORTATION OF CERTAIN ALIENS

The Clerk called Senate Concurrent Resolution 40.

There being no objection, the Clerk read the Senate concurrent resolution, as follows:

Resolved by the Senate (the House of Representatives concurring), That the Congress favors the suspension of deportation in the case of each alien hereinafter named, in which case the Attorney General has suspended deportation for more than 6 months:

A-3965807, Abdollah, Mohamed, or Mohamed Abdulah.
A-2789215, Ahmed, Noor.
A-7955499, Alaniz-Cavazos, Alfonso.
A-2937693, Ambro, Helen (nee Balazsovic).
A-7450414, Ambrose, Dora, alias Dora Elena Benitez Ibanez.
A-6383332, Anderson, Anna Kaarina Tullikki Kaari.
A-5884968, Anthony, Emma Adelaide, or Emma Adelaide Pickering.
A-6588584, Antwine, Tessie Patricia (nee Mansell).
A-6071239, Arellano, Domingo, Jr.
A-6071241, Arellano, Innocencio.
A-6071240, Arellano, Juan, alias John Arellano.
A-6479381, Barber, Denise Adelaide Henriette (nee Denise Adelaide Henrietta Van Eycke).
A-6346406, Barbera, Elsa Gladys (nee Reeves) formerly Wolff.
A-6477089, Bell, Agnes Marjorie.
A-4375271, Belovesck, Andrej, or Andy Bell or Andrew Belovesck.
A-5424236, Borthwick, Mary Morton (nee Dickson).
A-4860586, Bougen, Max, or Mordka David Kacenenbojgen.
A-695564, Bravo, Maria Belen Guzman.
A-6595665, Bravo, Dionisio B.
A-6500455, Brayer, Roger Charles.
A-7371552, Calcao, Antonio Bernardino.
A-4491718, Canniff, Diane Raymonde, or Raymonde Gilberte Johnstone alias Defy DeMery.

A-7127827, Carr, Keith Constantine, or Keith Carr or Kenneth Rainford.
A-7187855, Cerda-Garcia, Manuel.
A-6955565, Chin, Toh Ling, alias Mrs. Leon Chin nee Tan Toh Leng.
A-3669803, Chong, Mark, or Mock Chang or Choy See Bow or Mark Yee Sing.
A-5412487, Cillax, Doris Marion.
A-6998633, Conatser, Victor Cattani.
A-7476168, Coppola, Luigi Guiseppi.
A-5851454, Correia, Joao (John) Martinho.
A-1879755, Cosio-Rementeria, Juan.
A-4762234, Crowe, William.
A-6860142, Daher, Mouna (nee Nader).
A-7392104, Davidian, Nazar Yeznik.
A-7375879, DeBuelna, Maria De Jesus Rios.
A-7975411, De Esquibel, Lidia Alamillo.
A-6862527, De Greve, Beatrix Maria Herckenrath.
A-6408937, De Minnick, Maria Catalina Andrade, or Maria Minnick (nee Maria Catalina Andrade).
A-5609510, Eggiman, Guillaume Jean, or William John Eggiman.
A-1589293, Egorov, Anton, or Egoroff.
A-7247410, Ellis, Hugh Milton.
A-3822587, Ettrup, Jens Sigvart.
A-2588068, Falanga, Vincenzo.
A-3082508, Fan, Hsing Yun, or Edwin Hsing Un Fan.
A-5937637, Fay, Cozle Verna, or Cozle Verna Horne Ostle Pettit.
A-4425321, Fay, Grace Lorraine (nee Grace Lorraine Mizen).
A-7134549, Fazzio, Venturina, or Venturina De Loreto or Renz De Loreto nee Di Loreto.
A-7712241, Ferguson, Alvin James.
A-4388683, Fernandez, Aurelio Rodriguez.
A-5510280, Finger, Hannahor Winnifred (nee Hurley).
A-3474906, Flemming, Lily, alias Lily Slater alias Lily Hill alias Lily Wells alias Lily Beety.
A-3941341, Foltz, Marie (nee Maria Stanislaw Kaszowski) formerly Crupton.
A-1445049, Ftikas, Gus, or Constantinos alias Gus Tickas.
A-4880594, Fukushima, Hideo, alias Eddie Fukushima.
A-5911159, Gabrich, Ignatz, or Fred Gabrich or Kenneth Couey or Covey or Kenneth Gabrich.
A-5535323, Galaz, Angelo Custidios, or Angelo Custidios Galaz.
A-7203038, Galindo, Maximiliano, or Maximiliano Galindo-Salazar.
A-7203039, Galindo, Rafael.
A-3730435, Gardner, Eulalia Ofelina (nee Eulalia Ofelina Gumbs (Gomez) or Elaria Lavergne).
A-5956045, Gavallas, Emanuel, or Manolis Gavallas.
A-4391716, Gentile, Tito.
A-6937219, Glatt, Ita, or Ita Tanzer Dorlich.
A-4008469, Goldber, Becky (nee Alperowitz or Alpert).
A-5869557, Gomez-Munos, Antonio, or Antonio Gomez.
A-3418891, Goodman, Ruth Lillian, alias Ray Goodman.
A-5651496, Gorny, Edward, or Edward Garry.
A-1648089, Grace, John Ronald.
A-5673505, Gronaas, George Oluf.
A-5651971, Gronning, Nils Johan.
A-7399064, Gruber, Ingrid.
A-3029042, Guerrero, Antonio Belmonte, or Antonio Belmonte.
A-1886824, Gustafson, Karl Arthur.
A-7463797, Guzman, Pascasio.
A-5170669, Hall, Daisy Evadna.
A-7035750, Hall, William Roderick.
A-7035749, Hall, Lorna Daisy.
A-7035771, Hall, Robert Arthur.
A-6298407, Halpern, Chaskel.
A-2629175, Hans, Joseph.
A-7225090, Harpell, Frederick John.
A-5604019, Harrington, Robert Albert,

A-7240688, Harris, Clarence George.
A-5632385, Hill, William Gordon.
A-7090850, Hillmann, Madeline Margaret, or Madeline Margaret Deslauniers or Madeline Margaret Campbell.
A-3002122, Hing, Wong.
A-5806358, Hochstetler, Dora Lavina, formerly Beauchamp (nee Hennen).
A-5155143, Hodges, Alice Mary.
A-6899332, Hognestad, Elvind.
A-6464476, Hwa, Jesse Chia-Hsi.
A-6005942, Hyer, Clara Margarita Pichardo, Mendindez.
A-4563952, Ikuta, Yasutaro.
A-7351260, Jackson, Evelyn Florence Cozens.
A-6659140, Jody, Boris Abel (Berelis Josidijo).
A-3914792, John, Chiang King, or John Chiang.
A-1578771, Johnson, Runar, or Runar Holmberg.
A-7130624, Johnson, Shirley Louise.
A-7427562, Jones, Laurette Leduc (nee Marie Rose Laurette Leduc) formerly Laurette Albert or Theresa Albert.
A-4234799, Kato, Ikano (nee Ikano Oishi).
A-5753373, Kato, Kiyoka, or Kazuo Sewaki.
A-3502826, Klass, Abraham, or Al Klass.
A-7178612, Krajian, Leon Sarkis.
A-7821673, Kuant, Moy.
A-4868320, Kuschak, Andrew.
A-5758329, Lamb, Eudora, or Dora Lamb (nee Spicer) formerly Harrower.
A-2280015, Le Blanc, Ann (nee Horan).
A-2903177, Le Blanc, Theotime Joseph, or Timothy or Tim Le Blanc.
A-7189111, Lettsome, Wilmoth Carigon.
A-7083207, Lettsome, Mera Celestina.
A-6509269, Lind, Jacob, or Jack Lind.
A-5368015, Logoski, Stefan (or Lagocki), or Steve Logoski Kozek.
A-3469815, Luena, Emilio Bleja.
A-5050110, Luena, Julia Bulan.
A-1027070, Malcolm, Vincent A.
A-6995850, Mantios, Elias Gregory, or Elias Mantios (Mantzliou) or Elias G. Mantios.
A-5405314, Marcrum, Anna Engel Dorothea (nee Behrens).
A-7643414, Martin, Angel Elias Frias, or Angel Elias Frias.
A-7240851, Martinez-Gonzalez, Jesus, or Jesus G. Martinez.
A-5630368, Massengile, Irene Mary (nee Washington).
A-4694586, McCandlish, Sally (nee Levine), or Sally McCandlish or Sally Levy or Shana Levin or Levinaite.
A-6297954, Melki, Michael.
A-7197982, Mello, Maria Cremlide (nee Paiva).
A-2908187, Mercan, John, or Joseph Wolff.
A-2918041, Mercan, Teresa, or Wolff (nee Mandi).
A-7469521, Merritt, Antonia Maris Alamilla.
A-4250737, Mihallides, Pashalis.
A-5470214, Millington, Irene Christina.
A-3658224, Mirakian, Setrak, or Setrak Medzigan alias Sam Mirak.
A-7137595, Mitchell, James Alexander.
A-6728473, Moldovan, Rose (nee Steiner) alias Rose Weiss.
A-7203925, Moore, Flora Ann, or Flora Ann Gumbs.
A-7199007, Morales, Rosa Ydalia Morales (nee Rosa Ydalia Urena).
A-5214897, Morales-Gonzalez, Alejandro.
A-7576698, Morawetz, Kurt Otto.
A-7083004, Morawetz, Rita Chana.
A-5045368, Morello, Maria Losardo, alias Giovanna Lipari Scianca.
A-5569843, Morgan, Gladstone Jonathan, or Clanson Jonathan Morgan.
A-6481974, Mucino-Basurto, Carlos, alias Anthony Calociche.
A-4399657, Muloski, Olga, alias Olga Casey, nee Zawada.
A-6960419, Munkittrick, Ingrid, or Ingrid Gassner.
A-4775021, Nakamura, Yoshimitsu.

A-4200727, Nakanishi, Sadao, alias Shuichi Nakanishi.
 A-7390065, Nedelkoff, George, or George Nedelkow.
 A-6371198, Nencel, David.
 A-7290480, Nielsen, Herdis Johanne (nee Frandsen).
 A-5529231, Nimori, Kaoru, or Richard Kaoru Nimori.
 A-3230840, Noi, Chew Yan nn Yan Noi Sung.
 A-7279875, Ocampo, Emeterio Mendoza.
 A-5981756, Olsen, Henrik Hjalmar.
 A-4456624, Ono, Mokichi, or Frank Ono or Ichizaemon Suwa.
 A-7178585, Ortiz-Hurtado, Juan.
 A-6316251, Owen, Judith Elizabeth.
 A-6738463, Papageorgiou, Nikolas.
 A-6326776, Perez, Francisco, Doncel Castro, or Frank Castro.
 A-4759367, Peters, Heinrich Hans Gustav Amandus.
 A-9510098, Picking, Douglas Barnette.
 A-6616615, Picquett, Daisy Veronica, alias Daisy Veronica Picquett (nee Riley).
 A-6510549, Popianas, Stella Maria.
 A-7014398, Poy, Chiu Chong, or Poy Chew.
 A-7131139, Phiu, Victoria, or Chiu Ying Ngor.
 A-7274040, Prager, Fritz.
 A-6794962, Pulos, Maria C. (nee Maria D. Constantinides).
 A-4732580, Quijano, Alonso.
 A-4365961, Quintas, Antonio, or Antonio Quintas Rodriguez.
 A-3514174, Randell, Dora (nee Dura or Dora Miller).
 A-3766549, Regus, Vasile (William Rabbitt or Rabbit) (William Rubek).
 A-6733682, Ritchey, Joseph Eugene.
 A-7387475, Rivera, Lorenzo.
 A-1019709, Rodi, Frank, or Antonio Sgam-bati.
 A-6827904, Rodriguez-Hizon, Virgilio Lour-des.
 A-6887561, Russak, Joseph Chaim.
 A-4271890, Rychel, Jan, alias John Joseph Richel.
 A-5505393, Schiller, Elsa (nee Elsa Vogt), or Elsa Johanna Schiller or Elise K. Schiller.
 A-6881805, Schwarz, Hans, alias Hans Eisler.
 A-7469769, Sciuillo, Franco.
 A-5716866, Seiler, Daniel.
 A-2388433, Shee, Lew, or Lew Lan Hing or Heung or Mrs. Eng Hoy.
 A-5319126, Siber, Steve.
 A-3019138, Simandjuntak, Gerson, or Simandjunta or Saleh Bin Karim or Karim Bin Salley.
 A-5383073, Sipari, Vilho.
 A-1054569, Smarzlik, George, or George Sivak.
 A-5580914, Spano, Gaetano, or Clyde Spano.
 A-5388930, Spencer, Giovanna, or Sheasby nee Srintz.
 A-4141767, Stein, Ray (Rachael) (nee Rajacsky).
 A-5214133, Stougaard, Carl Gorm Petersen, alias Gorm Stougaard.
 A-5654060, Szumilas, Stanlely, alias George Sokol.
 A-7450707, Tait, Claude Anthony, or Claude Anthony Wang or Claude Anthony Wang Tait or Claude Anthony Francis Tait or Claude Antoine Wang or Claude Wang.
 A-4329295, Takemura, Nobuto, or Nobuya Takemoto.
 A-4350727, Tarca, Dante.
 A-7390587, Thomsen, Bente Oda Fritze.
 A-5528610, Tiner, Mevzat.
 A-6992227, Tournay, Lucille Mariette.
 A-3797250, Toy, Mark Dock.
 A-7975407, Tsai, Ruby Wu, also known as Yu Kee Wu.
 A-7414960, Tsai, Shih Hao.
 A-7088876, Tschetschot, George.
 A-3943703, Tsukimoto, Tadashi.
 A-2031632, Turley, John.
 A-7367151, Vaggalis, Calliope (nee Tabou-lari).

A-5140372, Valarelli, Vincenzo Maria, or Vincent Valarelli.
 A-5480405, Valerdi, Celestino, Belestino Valerdi.
 A-1503992, Valsas, Steve, alias Stayros Valsamidis.
 A-3434019, Vavasis, Sam, or Arziriou Spiros Vavasis.
 A-4916793, Velcich, Domenick.
 A-7019494, Ventura, Ramon Daniel Garcia.
 A-2118316, Visini, Maria.
 A-4568997, Vrana, Stefan Josef.
 A-3617564, Wakimoto, Matsue Kimura, or Matsue Kimura.
 A-2096175, Wlitaioja, Katri Elisa (nee Lilja), alias Mrs. Katherine Brickson.
 A-6063600, Wilson, Edna May (nee Cohen), formerly Holt.
 A-5978528, Wilton, Christina Farquharson (nee Gill or Kimmel).
 A-7145270, Wimmer, Lillian Rose, formerly Lillian Rose Duane, Lillian Rose Faulkner.
 A-7598397, Wloszczewski, Stefan.
 A-1809582, Wolff, Johanna Bernardina Hendrika.
 A-6620719, Wu, Wan-Ching (nee Wan Ching Chiang).
 A-1284194, Yirmibes, Orhan Osman, or Orhan Osman Yirmibesh.
 A-6072730, York, Lourdes Lontoc Francisco.
 A-3775141, Hsueh, Chao Wang.
 A-2712354, Yu, Greta, Yee-Tak.
 A-5342956, Zehetner, Joseph.
 A-5711151, Zito, Rocco.
 A-6985382, Kayar, Sedat Arif.
 A-7083504, Madeira, Luis Julio.

The Senate concurrent resolution was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

HENRY J. KRUEGER

The Clerk called the bill (H. R. 846) for the relief of Henry J. Krueger.

The SPEAKER. Is there objection to the present consideration of the bill?

Mr. ASPINALL. Mr. Speaker, there is a minority report on this bill by five Members of the House; therefore I object.

Mr. DEANE. Mr. Speaker, I object.

Under the rule, the bill was recommended to the Committee on the Judiciary.

RUTH ALICE CRAWSHAW

Mr. COTTON. Mr. Speaker, I ask unanimous consent to return for immediate consideration to Private Calendar No. 423, the bill (S. 652) for the relief of Ruth Alice Crawshaw.

The SPEAKER. Is there objection to the request of the gentleman from New Hampshire?

There was no objection.

The Clerk read the bill, as follows:

Be it enacted, etc., That the Secretary of the Treasury is authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, to Ruth Alice Crawshaw, the widow of Ralph Everett Crawshaw (XC-687874), a sum equal to the amount which would have been payable to her as death compensation for the period beginning on the date of her original application for such benefits and ending on November 4, 1947, on account of the death of the said Ralph Everett Crawshaw in the naval service of the United States, had the award of such compensation been made effective from the date of such original application: *Provided,* That no part of the amount appropriated in this act in excess of 10 percent thereof shall be paid or delivered to or received by any agent or attorney on account of services rendered in connection with this claim, and

the same shall be unlawful, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding \$1,000.

The bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

LAWFUL ADMISSION FOR PERMANENT RESIDENCE OF CERTAIN ALIENS

Mr. BOLLING. Mr. Speaker, I ask unanimous consent for the immediate consideration of the bill (S. 100) to record the lawful admission for permanent residence of certain aliens.

The SPEAKER. Is there objection to the request of the gentleman from Missouri?

There was no objection.

The Clerk read the bill, as follows:

Be it enacted, etc., That, for the purposes of the immigration and naturalization laws, Maria Luisa Ajuria Lazpita, Maria Isabel Albizuri Aguirre, Maria Ignacia Arregui Urbiet, Aurora Eduarda Jauregui Gorozarri, Maria Begona Landaburu Azcue, Josefa Martinez Viqueria, Elvira Echevarria Goicoechea, Pastora Inchausti Susarragui, Jesusa Unzala Eguidazu, Gaudencia Fernandez Carton, Casilda Gomez Martinez, Victoriana Egues Solizar, Maria Blanca Ganchequi Alcorta, Benita Justa Izaguirre Zabalegui, and Teodora Jimenez Buey shall be held and considered to have been lawfully admitted to the United States for permanent residence as of the date of the enactment of this act, upon payment of the required visa fees and head taxes. Upon the granting of permanent residence to such aliens as provided for in this act, the Secretary of State shall instruct the proper quota-control officer to deduct the required numbers from the appropriate quota or quotas for the first year that such quota or quotas are available.

The bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

MISSING PERSONS ACT

Mr. KILDAY. Mr. Speaker, I ask unanimous consent to take from the Speaker's desk the bill (H. R. 1199) to amend section 12 of the Missing Persons Act, as amended, relating to travel by dependents and transportation of household and personal effects, with Senate amendments, thereto, and concur in the Senate amendments.

The Clerk read the title of the bill.

The Clerk read the Senate amendments, as follows:

Page 1, line 7, after "dead," insert "injured."

Page 1, line 7, after "missing" insert "for a period of 30 days or more."

Page 2, line 12, after "completed," insert "When the person is in an 'injured' status, the movement of dependents or household and personal effects provided for herein may be authorized only in cases where the anticipated period of hospitalization or treatment will be of prolonged duration. No transportation shall be authorized pursuant to this section unless a reasonable relationship exists between the condition and circumstances of the dependents and the destination to which transportation is requested. Beginning June 25, 1950, and for the purposes of this section only, the terms 'household and personal effects' and 'household effects' may include, in addition to

other authorized weight allowances, not to exceed one privately owned motor vehicle, shipment of which at Government expense is authorized in those cases where the vehicle is located outside the continental limits of the United States or in Alaska."

Page 3, line 4, after "act," insert "heretofore not allowed by virtue of inability to establish death or injury as a result of military or naval operations."

Page 3, after line 4, insert:

(c) Payments made by disbursing officers on or after June 25, 1950, and prior to the date of approval of this act for the transportation, packing, and unpacking of privately owned motor vehicles transported under the conditions set forth in section 12 of the Missing Persons Act, as amended by section 1 of this act, are hereby ratified."

The SPEAKER. Is there objection to the request of the gentleman from Texas?

There was no objection.

The Senate amendments were concurred in.

A motion to reconsider was laid on the table.

SIDNEY YOUNG HUGHES

Mr. WALTER. Mr. Speaker, I call up the conference report on the bill (H. R. 1103) for the relief of Sidney Young Hughes.

The Clerk read the conference report.

The conference report and statement are as follows:

CONFERENCE REPORT (H. REPT. NO. 805)

The committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H. R. 1103) for the relief of Sidney Young Hughes, having met, after full and free conference, have agreed to recommend and do recommend to their respective Houses as follows: That the Senate recede from its amendment.

FRANCIS E. WALTER,
MICHAEL A. FEIGHAN,
LOUIS E. GRAHAM,

Managers on the Part of the House.

PAT MCCARRAN,
JAMES O. EASTLAND,
WM. E. JENNER,

Managers on the Part of the Senate.

STATEMENT

The managers on the part of the House at the conference on the disagreeing votes of the two Houses on the amendment of the Senate to the bill (H. R. 1103) for the relief of Sidney Young Hughes, submit the following statement in explanation of the effect of the action agreed upon and recommended in the accompanying conference report.

The bill as passed by the House granted permanent residence in this country to the beneficiary, a native of Wales and a subject of Great Britain, the husband of a native-born United States citizen.

The Senate, while agreeing in principle to the granting of relief in this case, has waived the grounds for exclusion existing in this case, thus permitting the alien to leave the United States and effect a lawful admission upon the issuance of an immigration visa.

It is being held that such journey abroad, necessitated by the Senate amendment, would cause undue economic hardship to both this alien and his United States citizen wife, and therefore an adjustment of the beneficiary's immigration status within the United States is preferable. Since the bill, as passed by the House, provides for the usual quota deduction and for the payment of the head tax and visa fee, there will be no departure from the policy adhered to by the Committees on the Judiciary of both Houses in granting relief in similar cases.

The bill, as agreed to by the managers on the part of both Houses, reads as follows:

"Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That, for the purposes of the immigration and naturalization laws, Sidney Young Hughes shall be held and considered to have been lawfully admitted to the United States for permanent residence as of the date of the enactment of this Act, upon payment of the required visa fee and head tax. Upon the granting of permanent residence to such alien as provided for in this Act, the Secretary of State shall instruct the proper quota-control officer to deduct one number from the appropriate quota for the first year that such quota is available."

FRANCIS E. WALTER,
MICHAEL A. FEIGHAN,
LOUIS E. GRAHAM,

Managers on the Part of the House.

The conference report was agreed to. A motion to reconsider was laid on the table.

ELECTION CONTEST CASE OF WYMAN C. LOWE, CONTESTANT, AGAINST JAMES C. DAVIS, CONTESTEE

Mr. BURLESON. Mr. Speaker, by direction of the Committee on House Administration, I submit a resolution (H. Res. 398) and ask for its immediate consideration.

The Clerk read as follows:

Resolved, That the election contest of Wyman C. Lowe, contestant, against James C. Davis, contestee, Fifth Congressional District of the State of Georgia, be dismissed.

The resolution was agreed to.

A motion to reconsider was laid on the table.

ELECTION CONTEST CASE OF RAYMOND W. KARST, CONTESTANT, AGAINST THOMAS B. CURTIS, CONTESTEE

Mr. BURLESON. Mr. Speaker, by direction of the Committee on House Administration I present a privileged resolution (H. Res. 399) and ask for its immediate consideration.

The Clerk read as follows:

Resolved, That the election contest of Raymond W. Karst, contestant, against Thomas B. Curtis, contestee, Twelfth Congressional District of the State of Missouri, be dismissed.

The resolution was agreed to.

A motion to reconsider was laid on the table.

ELECTION CASE OF WALTER B. HUBER, CONTESTANT, AGAINST WILLIAM H. AYRES, CONTESTEE

Mr. BURLESON. Mr. Speaker, by direction of the Committee on House Administration I submit a privileged resolution (H. Res. 400) and ask for its immediate consideration.

The Clerk read as follows:

Resolved, That WILLIAM H. AYRES was duly elected as Representative from the Fourteenth Congressional District of the State of Ohio to the Eighty-second Congress and is entitled to his seat.

The resolution was agreed to.

A motion to reconsider was laid on the table.

CALL OF THE HOUSE

Mr. KERR. Mr. Speaker, I make the point of order that a quorum is not present.

The SPEAKER. Evidently a quorum is not present.

Mr. PRIEST. Mr. Speaker, I move a call of the House.

A call of the House was ordered.

The Clerk called the roll, and the following Members failed to answer to their names:

[Roll No. 168]

Abbutt	Fugate	Morrison
Albert	Fulton	Morton
Allen, Ill.	Garmatz	Moulder
Allen, La.	Gathings	Multer
Anderson, Calif.	Gavin	Mumma
Andresen,	Gordon	Murphy
August H.	Gore	Murray, Wis.
Anfuso	Granahan	O'Brien, Ill.
Angell	Green	O'Hara
Ayres	Gregory	O'Konski
Barrett	Gwinn	Ostertag
Beall	Hale	Patten
Bentsen	Hall	Powell
Blackney	Edwin Arthur	Quinn
Boggs, La.	Hall	Radwan
Boykin	Leonard W.	Redden
Breen	Hand	Reed, Ill.
Buckley	Harvey	Reed, N. Y.
Burton	Hébert	Riblicoff
Busbey	Hedrick	Richards
Butler	Heffernan	Riehlman
Byrne, N. Y.	Hill	Rivers
Case	Hinshaw	Robeson
Celler	Hoeven	Rooney
Chatham	Hoffman, Ill.	Roosevelt
Chenoweth	Hoffman, Mich.	Sabath
Chiperfield	Jackson, Calif.	Sadlak
Chudoff	James	St. George
Clemente	Javits	Saylor
Cole, N. Y.	Jenkins	Scott, Hardie
Combs	Johnson	Scott,
Cooley	Jonas	Hugh D., Jr.
Corbett	Jones,	Scudder
Coudert	Hamilton C.	Shaffer
Crumpacker	Kearney	Shelley
Cunningham	Kelley, Pa.	Smith, Kans.
Curtis, Mo.	Kelly, N. Y.	Stockman
Davis, Wis.	Kennedy	Sutton
Dawson	Keogh	Talle
Delaney	Kilburn	Taylor
Dingell	Klein	Teague
Dollinger	Kluczynski	Towe
Dolliver	Lane	Vall
Donovan	Latham	Van Pelt
Durham	Lucas	Vinson
Eaton	McCarthy	Vorys
Ellsworth	McCormack	Welch
Engle	McGregor	Werdell
Evins	McMillan, S. C.	Whitaker
Fallon	Martin, Mass.	Wickersham
Fellows	Mason	Withrow
Fine	Meador	Wood, Ga.
Fisher	Miller, N. Y.	Wood, Idaho
Fogarty	Mitchell	
Forand	Morgan	

The SPEAKER. On this roll call 274 Members have answered to their names, a quorum.

By unanimous consent, further proceedings under the call were dispensed with.

TEMPORARY APPROPRIATIONS

Mr. SMITH of Virginia. Mr. Speaker, I call up the resolution (H. Res. 397) which I submitted earlier in the day, making in order House Joint Resolution 320, and ask for its immediate consideration.

The Clerk read the resolution as follows:

Resolved, That immediately upon the adoption of this resolution it shall be in order to move that the House resolve itself into the Committee of the Whole House on the State of the Union for the consideration of the joint resolution (H. J. Res. 320) amending an act making temporary appropriations for the fiscal year 1952, and for other purposes. That after general debate, which shall be confined to the joint resolution and continue not to exceed 30 minutes, to be equally divided and controlled by the chairman and ranking minority member of the Committee on Appropriations, the joint resolution shall be read for amendment

under the 5-minute rule. At the conclusion of the consideration of the joint resolution for amendment, the Committee shall rise and report the joint resolution to the House with such amendments as may have been adopted and the previous question shall be considered as ordered on the joint resolution and amendments thereto to final passage without intervening motion except one motion to recommit.

The SPEAKER. The question is, Will the House consider the resolution?

The question was taken; and (two-thirds having voted in favor thereof) the House decided to consider the joint resolution.

Mr. MILLER of Nebraska. Mr. Speaker, a parliamentary inquiry.

The SPEAKER. The gentleman will state it.

Mr. MILLER of Nebraska. Mr. Speaker, I have tried to get a copy of this resolution. There does not seem to be any available.

The SPEAKER. The resolution was reported about 40 or 50 minutes ago.

Mr. TABER. Mr. Speaker, I have copies of the resolution here.

The SPEAKER. The gentleman from Virginia is recognized.

Mr. SMITH of Virginia. Mr. Speaker, this is a continuing resolution.

Mr. RANKIN. Mr. Speaker, a parliamentary inquiry.

The SPEAKER. Does the gentleman from Virginia yield for a parliamentary inquiry?

Mr. SMITH of Virginia. I yield.

The SPEAKER. The gentleman will state the parliamentary inquiry.

Mr. RANKIN. Mr. Speaker, I understood that this resolution provided for going into the Committee of the Whole to discuss this proposition and to take it up for amendment, is that correct?

The SPEAKER. That is correct. That is what the resolution says.

Mr. RANKIN. Then the motion that would be in order would be one to go into the Committee of the Whole.

The SPEAKER. The House has to adopt the rule first before going into the Committee of the Whole.

Mr. SMITH of Virginia. Mr. Speaker, this is a rule making in order a continuing resolution on the appropriation bills. We have already passed two continuing resolutions. The present one expires the last of this month; so if the House is in recess at that time it is very necessary that we have another extension of 30 days because of the fact several appropriation bills have not passed the other body. The resolution merely continues it for another 30 days without any change in the present resolution, other than a change in the date.

Mr. MILLER of Nebraska. Mr. Speaker, will the gentleman yield?

Mr. SMITH of Virginia. I yield to the gentleman from Nebraska.

Mr. MILLER of Nebraska. The gentleman says there is no change, yet I see section 2 corrected in pencil here, and I do not know which is right, the printed resolution or the change. It says, "The amount appropriated by subsection (e) of section 1 of such joint resolution, as amended, for aid to refugees from Palestine is hereby increased by such amount as may be necessary," and so forth. That

is as corrected in pencil. Now what is the increase in this particular section? That is a change in the continuing resolution.

Mr. SMITH of Virginia. It is merely a transposition of words; "Palestine refugees" to "refugees from Palestine." That is the only change.

Mr. TABER. Mr. Speaker, will the gentleman yield?

Mr. SMITH of Virginia. I yield to the gentleman from New York.

Mr. TABER. That means the Arabs who were driven out of Palestine and who are being taken care of by our Government. It is a matter that is mixed up very closely with the oil situation.

Mr. RANKIN. Mr. Speaker, will the gentleman yield?

Mr. SMITH of Virginia. I yield to the gentleman from Mississippi.

Mr. RANKIN. How much will this amount to, this so-called refugee fund to come out of the pockets of the American taxpayers? How much will it amount to under this bill?

Mr. SMITH of Virginia. I have no doubt that the Committee on Appropriations will give the information on that proposition in full.

Mr. RANKIN. You have some \$145,000,000 in here to start with.

Mr. SMITH of Virginia. I yield to the gentleman from Ohio [Mr. BROWN].

Mr. BROWN of Ohio. Mr. Speaker, I yield 5 minutes to the gentleman from Nebraska [Mr. MILLER].

Mr. MILLER of Nebraska. Mr. Speaker, I suppose I should not take any time here because the wheels are all greased up to put this extension through, whether we like it or not. Now, since I have sort of a reputation for being one of the great objectors of the House, I want to live up to that reputation and make a few remarks that I hope will be taken with kindness. The acting majority leader is restless now; he thinks I may want a roll call on this bill. I am going to vote against it. It is a little hard for the people of the country to understand why these resolutions are necessary. I hate to make any charges against the leadership of the House, and I will not, but I am reminded, that when the Eightieth Congress, that terrible Republican Eightieth Congress was here, we did get the appropriations bills out and passed, and we passed a reorganization plan before some of you came to Congress which required that these appropriation bills be out and clear the deck before July 1. Now you come in with these extending resolutions. That just is not good business. I presume the Committee on Appropriations does not have enough help, maybe, to analyze the appropriation bills, but I say to you that I heard one Member of the Committee on Appropriations this morning, the gentleman from Nebraska [Mr. STEFAN] make the remark to a little breakfast group that he thought the appropriations and contract authorizations for this year would amount to over \$100,000,000,000. I would like to raise this question in all seriousness to the Members on both sides of this House: How long, how long do you think the United States, the taxpayers of this

country, can continue being bled for taxes to support the type of legislation that comes out of this Congress and not suffer economic collapse? How long?

Mr. RANKIN. Mr. Speaker, will the gentleman yield?

Mr. MILLER of Nebraska. I yield to the gentleman from Mississippi.

Mr. RANKIN. This measure that they are trying to put through here today is merely getting the camel's nose under the tent. This country owes more money than all the rest of the world put together. No matter whether this is \$2,000,000 or \$145,000,000 as indicated in this report, it means that it is coming out of the pockets of the overburdened taxpayers of America, and as soon as they spend that, they will be demanding more and more and more. Where are we headed? Toward bankruptcy?

Mr. MILLER of Nebraska. I agree with the gentleman. I think we are faced with bankruptcy. We have collected more in six peacetime years than in 150 years of our existence, and I say to the members of the Committee on Appropriations and the Members of this House, there is a limit to where we can go.

I sometimes doubt if people want to hear about how much money we are spending. They seem not to be concerned. This idea that you can get something for nothing has grafted itself onto society so firmly that it may take an economic collapse to wake Congress and the people up to the fact that the power to tax is the power to destroy. With these appropriations you raid every savings account where the people have tried to put away a little money for a rainy day. You make it impossible to save any money today. You are putting a mortgage on the backs of the children yet unborn.

I warn you that we are facing an economic collapse. The Department of Commerce told me yesterday that our dollar today is worth 44 cents as compared with 1939, when it was worth \$1. An economist who had made an investigation of the matter told me that if we cause a \$30,000,000,000 deficit our dollar will be worth about 31 cents. So you can see where you are going. How long are you going to continue with this? There must be a stop to it.

Mr. Speaker, I am going to demand a roll call on the resolution as well as on the extending resolution. I think it is time the American people realize what the back-breaking taxes will do.

Mr. RANKIN. Is it not a fact that the authorization for this legislation has already expired, and that a point of order against the extending resolution would be in order?

Mr. MILLER of Nebraska. I think the gentleman is correct. I have been so informed. I feel like a voice crying in the wilderness, but who will stop, look and listen—the sign "bankrupt" is on the wall.

Mr. SMITH of Virginia. Mr. Speaker, I move the previous question on the resolution.

The previous question was ordered.

The SPEAKER. The question is on the resolution.

The question was taken; and on a division (demanded by Mr. MILLER of Nebraska) there were—ayes 178, noes 8.

Mr. MILLER of Nebraska. Mr. Speaker, I object to the vote on the ground that a quorum is not present and make the point of order that a quorum is not present.

The SPEAKER. The Chair will count. [After counting.] Two hundred and twenty-two members are present, a quorum.

So the resolution was agreed to.

Mr. CANNON. Mr. Speaker, I move that the House resolve itself into the Committee of the Whole House on the State of the Union for the consideration of the joint resolution (H. J. Res. 320) amending an act making temporary appropriations for the fiscal year 1952, and for other purposes.

Mr. RANKIN. Mr. Speaker, I make a point of order against consideration of the joint resolution on the ground that the authorization has expired, and that there is no authorization for this appropriation.

The SPEAKER. The resolution just adopted makes in order the consideration of the joint resolution, and, therefore, the point of order does not lie.

The Chair overrules the point of order.

The question is on the motion offered by the gentleman from Missouri [Mr. CANNON].

The motion was agreed to.

Accordingly, the House resolved itself into the Committee of the Whole House on the State of the Union for the consideration of House Joint Resolution 320, with Mr. HARDY in the chair.

The Clerk read the title of the joint resolution.

By unanimous consent, the first reading of the joint resolution was dispensed with.

The CHAIRMAN. Under the rule, the gentleman from Missouri [Mr. CANNON] is recognized for 15 minutes, and the gentleman from New York [Mr. TABER] will be recognized for 15 minutes.

Mr. CANNON. Mr. Chairman, this resolution continues the present status of Government appropriations until the end of September. No material change is proposed.

The current resolution, under which the Government is now operating, does not expire until August 31. But the House recesses this week and will not again be in session until September 12—12 days after the expiration of the last continuing resolution. To meet that contingency, we are today submitting a resolution which will be in effect from the date of its joint adoption until September 30—well past the date on which the House reassembles following the recess.

The situation has been explained so frequently and is so thoroughly understood that no extended debate on the subject is required, and unless someone desires further explanation, I will reserve the balance of my time.

Mr. TABER. Mr. Chairman, this resolution permits the departments to operate after a fashion. It limits the operations in such a way that new projects cannot be started on a great many

items. It allows expenditures at a lower rate in a great many cases, than would be provided by an appropriation of one-twelfth the amount of the appropriations as they have been passed by the House, or as they have been authorized by the different bills. Therefore, we are not losing anything. The departments are really getting less to play with than they would under the regular bills, as they might be passed as a whole.

I thought that explanation should be made to the membership so that they would know when they came to vote.

The minority on the committee is supporting the resolution.

Mr. MILLER of Nebraska. Mr. Chairman, will the gentleman yield?

Mr. CANNON. I yield.

Mr. MILLER of Nebraska. I understand there is pending a resolution to let the House go home for a couple of weeks and visit with their neighbors and their constituents. When they go home I hope they talk frankly about finances and taxes and tell them we are going to spend \$100,000,000,000, and what it is going to cost every member of the family. Maybe the Members will get a little religion before they come back. Maybe you on the Committee on Appropriations will look with a little more of a jaundiced eye at these appropriations. Maybe you will get out a good sharp knife and do a little surgery, even though it may hurt. It is necessary because this great country of ours, 150,000,000 people, has been bled white. You cannot get enough blood in this country to transfuse the country to keep it alive. It is going to be on the doorstep of the Committee on Appropriations and this Congress, if they do not stop it.

Mr. CANNON. I am in heartiest agreement with the gentleman from Nebraska. We cut the appropriation estimates deeper than any other bills that have ever been proposed by the United States Congress.

Mr. MILLER of Nebraska. And yet a hundred billion dollars. Where are we going to get the money?

Mr. CANNON. Mr. Chairman, I yield 2 minutes to the gentleman from Arkansas [Mr. TACKETT].

Mr. TACKETT. Mr. Chairman, the statement was made a few moments ago by the gentleman from Nebraska [Mr. MILLER] that all of the others in this House were not concerned about the cost of operating this Government. I do not believe that to be true. I think that most of the Members are just as concerned and just as conservative as Mr. MILLER. Other members are not so anxious to put their names in the Record every day as arbitrary objectors with no constructive offers of assistance.

It is not necessary to be a reactionary in order to be conservative with national funds. I have been as conservative with public funds as Mr. MILLER—just not as desirous for the world to know my deeds. Mr. MILLER would have his people believe that all are out of step in this Congress except the gentleman from Nebraska. I do not agree with all the actions of this Congress, but I do not think I should find fault with all other Members when I happen to be with the minority on some

vote. In fact, just yesterday I protested efforts of the Appropriations Committee to jeopardize activities of the Army engineers. I have voted many times against Appropriations Committee actions. However, in my opinion, the Committee on Appropriations has done a good job in its efforts to conserve during this emergency.

Even the minority members of the Appropriations Committee admit that the passage of this resolution saves money. Just what could the gentleman from Nebraska have to holler about—but for his often repeated suggestions that he would like to be known as an ardent objector, and that he considers his arbitrariness as popular with the people? He would have readers of the CONGRESSIONAL RECORD believe that he is the only Member not afraid to visit his people when he should know that practically every Member now has plans for returning to his district this week end.

Mr. CANNON. Mr. Chairman, I ask that the Clerk read.

The Clerk read as follows:

Resolved, etc., That clause (c) of section 4 of the joint resolution of July 1, 1951 (Public Law 70), as amended, is hereby amended by striking out "August 31, 1951" and inserting in lieu thereof "September 30, 1951."

Sec. 2. The amount appropriated by subsection (e) of the section 1 of such joint resolution, as amended, for aid to refugees from Palestine is hereby increased by such amount as may be necessary to permit such activity to continue under such joint resolution at a rate not in excess of that permitted by the amount appropriated therefor for the month of August 1951.

Mr. RANKIN. Mr. Chairman, I offer an amendment which I send to the desk.

The Clerk read as follows:

Amendment offered by Mr. RANKIN: On page 1, line 7, strike out section 2.

Mr. RANKIN. Mr. Chairman, I ask unanimous consent to revise and extend my remarks and to include extraneous matter.

The CHAIRMAN. Is there objection to the request of the gentleman from Mississippi?

There was no objection.

Mr. RANKIN. Mr. Chairman, it is rather amazing to say the least of it, for the gentleman from Missouri [Mr. CANNON] to object to a short extension of time to plead for this small appropriation to speed up the construction of this Tennessee-Tombigbee inland waterway—the most important project of its kind, from the standpoint of national defense, that has yet come before this Congress.

Its importance to our national defense program simply cannot be overestimated.

If we are drawn into another world war, it will be fought with airplanes and atomic bombs, and this project will be infinitely more important to the safety of our country than all the billions of dollars Congress has appropriated to build similar projects in foreign countries—at the expense of the American taxpayers.

In case of another world conflict, we might find ourselves fighting a defensive war on our own soil. As was once said by Sergeant S. Prentiss, we cannot afford to wait until our sleeping cities are

awakened by the terrible music of the bursting bomb, till our green fields are laid waste and trampled under the hoofs of an invader, or made red by the blood of American boys.

We should speed up the construction of every possible facility of national defense. No project of its kind that has yet been proposed would contribute as much to our national defense as would the construction of this short "missing link" in our internal waterway system.

We have two atomic bomb plants that would be directly served by this project: the one at Oak Ridge on the Tennessee River, and the other one at Paducah on the Ohio River. Then, too, our large aluminum plants that manufacture the materials from which our airplanes are made would also be served by it, as well as our steel mills, motor manufacturers, and other defense agencies throughout the area.

It would cut the water distance from Mobile to our atomic bomb plant at Oak Ridge by more than 800 miles and bypass the swift current of the Mississippi, which our upstream traffic now has to fight for a distance of 869 miles.

It would cut the cost of transportation from Mobile to the point where this project connects with the Tennessee River to less than one-fourth, or from \$2.79 to 62 cents a ton, on its fuel bill alone.

On a 3,500-ton load, it would cut the cost from \$9,765 to \$2,175, saving \$7,595 on every load—just on the fuel bill alone.

On one of the new large tow loads of 14,000 tons, it would reduce the cost from \$39,060 to \$8,680, which would amount to a saving of \$30,080—on the fuel bill alone.

It is not only one of the most important projects of its kind from a national defense standpoint that has ever been proposed, but it will supply the missing link in our internal waterway system and enrich every State touched by the Mississippi River, the Ohio, the Missouri, the Tennessee, the Illinois, the Tombigbee, the Warrior, or any of their tributaries as well as every State that borders on the Gulf or the Great Lakes.

Going from Mobile to our atomic bomb plant at Paducah on the Ohio River by way of this short slack-water route, the distance would be reduced more than 300 miles, and the cost of transportation would be reduced by more than two-thirds, or from \$2.47 a ton to 89 cents a ton. That would reduce the cost of transportation on a 3,500-ton load from \$8,645 to \$3,115 which would be a saving of \$4,530, on the fuel bill alone.

On one of the more modern tow loads of 14,000 tons, the cost would be cut from \$34,580 to \$12,460, which would be a saving of \$22,120, on the fuel bill alone—to say nothing of the savings in time and other expenses.

The Aluminum Co. of America is getting 95 percent of its bauxite from South America. Every barge load of 3,500 tons going to one of its large plants on the Tennessee River would save \$7,595 on its fuel bill alone, and on a 14,000-ton load it would save \$30,080.

If it went up the Ohio River to any point between Paducah, Ky., and Pittsburgh, Pa., the savings would amount to \$4,580 on a 3,500-ton load; while on one of the larger tow loads of 14,000 tons, the savings would amount to \$22,120, just on the fuel bill alone.

This would not only apply to every load of bauxite, but it would apply to all the iron ore coming in from Venezuela, as well as to salt, sulfur, lumber, cotton, oil, and all other commodities.

If these materials were going to St. Louis, Chicago, Kansas City, or to any other place on the upper Mississippi, the Missouri, or the Illinois River, or along the Great Lakes, the savings on the fuel bill would amount to \$5,040 on a 3,500 load or \$20,160 on a 14,000-ton load. Those amounts would be saved just in going from Mobile to Cairo.

Here are three tables that were worked out by the Army engineers, showing the costs of transportation via the present route against the swift current of the Mississippi, and the cost via this short slack-water route through the Tennessee-Tombigbee, and also showing the savings which this new slack water route would provide.

These figures are simply astounding when applied to the millions of tons of traffic that will have to be transported by one or the other of these routes in the years to come—especially if we should become involved in another world war.

TABLE NO. 1

Here is a table worked out by the Army engineers, showing the cost per ton for each route, and the savings per ton which this project will provide, on the fuel alone, for all upstream traffic:

Comparison of costs per ton of upstream traffic

From—	To—	Cost via Mississippi per ton	Cost via Tennessee-Tombigbee per ton	Average savings per ton
New Orleans, La.	Cairo	\$2.02	\$1.32	\$0.70
	Paducah	2.10	1.26	.84
	Tennessee-Tombigbee junction	2.42	.99	1.43
Mobile, Ala.	Cairo	2.39	.95	1.44
	Paducah	2.47	.89	1.58
	Tennessee-Tombigbee junction	2.79	.62	2.17
Port Birmingham, Ala.	Cairo	2.96	.95	2.01
	Paducah	3.04	.89	2.15
	Tennessee-Tombigbee junction	3.36	.62	2.74
Demopolis, Ala.	Cairo	2.68	.67	2.01
	Paducah	2.76	.61	2.15
	Tennessee-Tombigbee junction	3.08	.34	2.74
Columbus, Miss.	Cairo	2.83	.51	2.32
	Paducah	2.91	.45	2.46
	Tennessee-Tombigbee junction	3.23	.17	3.06
Aberdeen, Miss.	Cairo	2.88	.46	2.42
	Paducah	2.96	.40	2.56
	Tennessee-Tombigbee junction	3.28	.13	3.15
Amory, Miss.	Cairo	2.91	.44	2.47
	Paducah	2.99	.38	2.61
	Tennessee-Tombigbee junction	3.31	.11	3.20
Fulton, Miss.	Cairo	2.93	.41	2.52
	Paducah	3.01	.35	2.66
	Tennessee-Tombigbee junction	3.33	.08	3.25

TABLE NO. 2

Here is a table worked out by the engineers showing the cost and the savings on a barge load or two of 3,500 tons.

I might say here, that except on the traffic from the large cities such as Pittsburgh, Chicago, and Detroit, a majority of the traffic, at least until recently, was handled by these 3,500-ton tows.

Showing cost per tow of barges carrying 3,500 tons, and showing savings via Tennessee-Tombigbee

From—	To—	Cost via Mississippi per tow of 3,500 tons	Cost via Tennessee-Tombigbee per tow of 3,500 tons	Average savings per tow of 3,500 tons
New Orleans, La.	Cairo	\$7,070	\$4,620	\$2,450
	Paducah	7,350	4,410	2,940
	Tennessee-Tombigbee junction	8,470	3,465	5,005
Mobile, Ala.	Cairo	8,365	3,325	5,040
	Paducah	8,645	3,115	5,530
	Tennessee-Tombigbee junction	9,765	2,170	7,595
Port Birmingham, Ala.	Cairo	10,360	3,325	7,035
	Paducah	10,640	3,115	7,525
	Tennessee-Tombigbee junction	11,760	2,170	9,590
Demopolis, Ala.	Cairo	9,380	2,345	7,035
	Paducah	9,660	2,135	7,525
	Tennessee-Tombigbee junction	10,780	1,190	9,590
Columbus, Miss.	Cairo	9,905	1,785	8,120
	Paducah	10,185	1,575	8,610
	Tennessee-Tombigbee junction	11,305	595	10,710
Aberdeen, Miss.	Cairo	10,080	1,610	8,470
	Paducah	10,360	1,400	8,960
	Tennessee-Tombigbee junction	11,480	455	11,025
Amory, Miss.	Cairo	10,185	1,540	8,645
	Paducah	10,465	1,330	9,135
	Tennessee-Tombigbee junction	11,585	385	11,200
Fulton, Miss.	Cairo	10,255	1,435	8,820
	Paducah	10,535	1,225	9,310
	Tennessee-Tombigbee junction	11,655	280	11,375

TABLE NO. 3

Here is another table which the Army engineers have worked out showing the cost per tow of barges carrying 14,000

tons, and also the savings which these barges would provide.

As I pointed out, these larger barges are being used more and more as time goes on.

Showing cost per tow of barges carrying 14,000 tons and showing the savings via the Tennessee-Tombigbee

From—	To—	Cost via Mississippi per tow of 14,000 tons	Cost via Tennessee-Tombigbee per tow of 14,000 tons	Average savings per tow of 14,000 tons
New Orleans, La.....	Cairo.....	\$28,280	\$18,480	\$9,800
	Paducah.....	29,400	17,640	11,670
	Tennessee-Tombigbee junction.....	33,880	13,860	20,020
Mobile, Ala.....	Cairo.....	33,460	13,300	20,160
	Paducah.....	34,580	12,460	22,120
	Tennessee-Tombigbee junction.....	39,060	8,680	30,380
Port Birmingham, Ala.....	Cairo.....	41,440	13,300	28,140
	Paducah.....	42,560	12,460	30,100
	Tennessee-Tombigbee junction.....	47,040	8,680	38,360
Demopolis, Ala.....	Cairo.....	37,520	9,380	28,140
	Paducah.....	38,640	8,540	30,100
	Tennessee-Tombigbee junction.....	43,120	4,760	38,360
Columbus, Miss.....	Cairo.....	39,620	7,140	32,480
	Paducah.....	40,740	6,300	34,440
	Tennessee-Tombigbee junction.....	45,220	2,380	42,840
Aberdeen, Miss.....	Cairo.....	40,320	6,440	33,880
	Paducah.....	41,440	5,600	35,840
	Tennessee-Tombigbee junction.....	45,920	1,820	44,100
Amory, Miss.....	Cairo.....	40,740	6,160	34,580
	Paducah.....	41,860	5,320	36,540
	Tennessee-Tombigbee junction.....	46,340	1,540	44,800
Fulton, Miss.....	Cairo.....	41,020	5,740	35,280
	Paducah.....	42,140	4,900	37,240
	Tennessee-Tombigbee junction.....	46,620	1,120	45,500

Do not forget that this is the only possible way to provide what will amount to a slack-water route from the Gulf to the Great Lakes, and to all points on the Tennessee, the upper Mississippi, the Missouri, the Illinois, and the Ohio Rivers, all the way up to Pittsburgh, Pa. It will be worth untold hundreds of millions of dollars to western Pennsylvania, as well as to the States of Ohio, Kentucky, Illinois, Indiana, West Virginia, Michigan, Minnesota, Wisconsin, Missouri, Iowa, Nebraska, Colorado, Montana, the Dakotas, Wyoming, Utah, and all the other States in the Middle West or that border on any of the tributaries of the Mississippi, or on the Gulf or the Great Lakes.

It will provide a short slack-water route for their upstream shipments and at the same time save the swift current of the Mississippi for their downstream traffic.

There is not another place on the face of the earth where the traffic can be transferred from one major watershed to another with so much ease, so little expense, and such tremendous savings in transportation costs and distances. The nearest approach to it is the one connecting the Don and the Volga Rivers in Russia, which Stalin is now constructing with all possible haste, probably using lend-lease machinery, if not lend-lease money, supplied by the taxpayers of this country for that purpose.

We cannot afford to wait.

This project is absolutely necessary to our national defense and should be constructed as rapidly as possible.

Mr. CANNON. Mr. Chairman, I ask unanimous consent that all debate on this amendment and all amendments thereto close in 5 minutes.

Mr. MILLER of Nebraska. Mr. Chairman, reserving the right to object, I

would like to have 3 or 4 minutes, if I may.

Mr. CANNON. Mr. Chairman, I will take the 5 minutes and will yield 2 minutes to the gentleman from Nebraska [Mr. MILLER].

The CHAIRMAN. Is there objection to the request of the gentleman from Missouri that all debate on this amendment and all amendments thereto close in 5 minutes?

There was no objection.

The CHAIRMAN. The gentleman from Nebraska is recognized for 2 minutes.

Mr. MILLER of Nebraska. Mr. Chairman, I just wanted to say that the gentleman from Arkansas [Mr. TACKETT] if he is trying to attack me and my integrity in supporting economy in Government he is quite out of place. I suggest that he just watch his step when he attempts to do that in the House of Representatives. I am not at all ashamed of my record in trying to keep down expenditures. You on the Democratic side have a shameful record in voting for more and more spending.

Yesterday Members on the gentleman's side took some bitter pills in the whipping they got in the House when they tried to increase appropriations, and I hope they will have more of those experiences.

To those who try to attach a stigma to the Members who fight for economy and a cutting down of Government expenditures I say, if you have nerve enough, go back home and talk with your people. You will probably come back with a little different viewpoint. There are too many Members of this House that talk economy out of one side of their mouth and then shout "Yea" for more spending. Look at the record; that is the proof.

As long as I am a Member of the Congress here I am not going to hesitate to get up and submit my views upon these subjects, regardless of what the gentleman from Arkansas or anybody else says. You may label me as a great objector on this side, that is O. K. with me. I must live at peace with myself and I shall not hesitate to lash out in no uncertain terms at those issues I feel are wrong. If it is necessary to get rough and tough on some of these things I think we ought to do that. We have done too little fighting. I may say to my Republican colleagues, you better fight more, not less. You take a lot of this spending stuff and you do not fight. You should not lack the intestinal fortitude to get up here and say what you really think. Why be afraid to speak out against some of these appropriations, against some of these attempts to nationalize and socialize this country. You have been too easy. You better begin to listen to the folks at home, then when you come back here you will have a little different viewpoint.

Mr. CANNON. Mr. Chairman, the resolution in its present form, including the last paragraph to which the amendment refers, was adopted in the committee this morning without a record vote. It is supported by Members on both sides of the aisle.

Mr. Chairman, I yield to the gentleman from New York [Mr. TABER].

Mr. TABER. Mr. Chairman, this is satisfactory to me.

Mr. JENSEN. The gentleman understands there was no record vote taken on this, does he not?

Mr. TABER. That is correct, there was no record vote, but a roll-call vote was not requested and the resolution was adopted. Frankly, I did not hear any voting. I think that this second paragraph should be kept in the resolution. It is fair that we carry this along until the Congress can have an opportunity to finally pass on the question of how far we are to go in this subject after the committees that have had hearings have acted.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Mississippi [Mr. RANKIN].

The amendment was rejected.

Mr. CANNON. Mr. Chairman, I believe that under the rule the committee rises automatically.

Mr. RANKIN. Mr. Chairman, a point of order.

The CHAIRMAN. The gentleman will state it.

Mr. RANKIN. Mr. Chairman, there is one amendment that has not been voted on.

The CHAIRMAN. What amendment is that?

Mr. RANKIN. It is on page 1, line 9, where they struck out the word "Palestine" and added the words "from Palestine." That was not considered in the committee.

Mr. CANNON. Mr. Chairman, that is in the resolution as originally introduced.

The CHAIRMAN. The Chair is advised those words were in the resolution as introduced, therefore, are a part of the resolution and not an amendment.

Under the rule the Committee rises. Accordingly the Committee rose; and the Speaker having resumed the chair, Mr. HARDY, Chairman of the Committee of the Whole House on the State of the Union, reported that that Committee, having had under consideration House Joint Resolution 320, amending an act making temporary appropriations for the fiscal year 1952, and for other purposes, pursuant to House Resolution 397, he reported the House joint resolution back to the House.

The SPEAKER. Under the rule the previous question is ordered.

Mr. KERR. Mr. Speaker, I make the point of order that a quorum is not present.

The SPEAKER. The Chair will count. [After counting.] One hundred and eighty-seven Members are present, not a quorum.

Mr. HART. Mr. Speaker, I move a call of the House.

A call of the House was ordered.

The Clerk called the roll, and the following Members failed to answer to their names:

[Roll No. 169]

Abbt	Forand	Moulder
Albert	Fugate	Multer
Allen, Ill.	Fulton	Mumma
Allen, La.	Garmatz	Murphy
Anderson, Calif.	Gathings	Murray, Wis.
Andersen,	Gavin	Norrell
August H.	Gordon	O'Brien, Ill.
Anfuso	Gore	O'Brien, Mich.
Angell	Granahan	O'Hara
Ayres	Green	O'Konski
Barrett	Gregory	Ostertag
Beall	Gwinn	Patten
Bentsen	Hale	Poage
Blackney	Hall	Powell
Blatnik	Edwin Arthur	Quinn
Boggs, La.	Hand	Radwan
Boykin	Harvey	Redden
Breen	Hébert	Reed, Ill.
Buckley	Hedrick	Reed, N. Y.
Burton	Heffernan	Ribicoff
Busbey	Hill	Richards
Butler	Hinshaw	Riehlman
Byrne, N. Y.	Hoeven	Rivers
Case	Hoffman, Ill.	Robeson
Celler	Hoffman, Mich.	Roosevelt
Chatham	Jackson, Calif.	Sabath
Chenoweth	James	Sadlak
Chiperfield	Javits	St. George
Chudoff	Jenkins	Saylor
Clemente	Johnson	Scott, Hardie
Combs	Jonas	Scott,
Cooley	Jones,	Hugh D., Jr.
Corbett	Hamilton C.	Scudder
Coudert	Kearney	Shafer
Crumpacker	Kelly, N. Y.	Shelley
Cunningham	Kennedy	Sikes
Curtis, Mo.	Keogh	Smith, Kans.
Davis, Wis.	Kilburn	Stockman
Dawson	Klein	Sutton
Delaney	Kluczynski	Talle
Dingell	Lane	Taylor
Dollinger	Latham	Teague
Dolliver	Lucas	Towe
Donovan	McCarthy	Vail
Durham	McCormack	Van Pelt
Eaton	Machrowicz	Vinson
Ellsworth	Mack, Ill.	Vorys
Engle	Martin, Mass.	Welch
Evins	Mason	Werdell
Fallon	Meador	Whitaker
Fellows	Miller, N. Y.	Wickersham
Fernandez	Mitchell	Wilson, Ind.
Fine	Morgan	Withrow
Fisher	Morrison	Wood, Ga.
Fogarty	Morton	Wood, Idaho

The SPEAKER. On this roll call 271 Members have answered to their names; a quorum is present.

By unanimous consent, further proceedings under the call were dispensed with.

TEMPORARY APPROPRIATIONS, 1952

The SPEAKER. The question is on the engrossment and third reading of the House joint resolution.

The House joint resolution was ordered to be engrossed and read a third time, and was read the third time.

The SPEAKER. The question is on the passage of the House joint resolution.

Mr. JENSEN. Mr. Speaker, I offer a motion to recommit.

The Clerk read as follows:

Mr. JENSEN moves to recommit the resolution to the Committee on Appropriations.

Mr. CANNON. Mr. Speaker, on that I move the previous question.

The previous question was ordered.

The SPEAKER. The question is on the motion to recommit.

The question was taken; and on a division (demanded by Mr. MILLER of Nebraska) there were—ayes 7, noes 231.

So the motion to recommit was rejected.

The SPEAKER. The question is on the passage of the resolution.

The House joint resolution was agreed to.

A motion to reconsider was laid on the table.

ADJOURNMENT OF THE HOUSE FROM AUGUST 23 TO SEPTEMBER 12

Mr. PRIEST. Mr. Speaker, I offer a privileged resolution (H. Con. Res. 151) and ask for its immediate consideration.

The Clerk read as follows:

Resolved, That when the House adjourns on Thursday, August 23, 1951, it stand adjourned until 12 o'clock meridian, Wednesday, September 12, 1951.

The House concurrent resolution was agreed to.

A motion to reconsider was laid on the table.

INTERIM AUTHORITY TO THE SPEAKER

Mr. PRIEST. Mr. Speaker, I ask unanimous consent that notwithstanding the adjournment of the House until September 12, 1951, the Clerk be authorized to receive messages from the Senate and that the Speaker be authorized to sign any bills and joint resolutions duly passed by the two Houses and found truly enrolled.

The SPEAKER. Is there objection to the request of the gentleman from Tennessee?

Mr. MILLER of Nebraska. Mr. Speaker, reserving the right to object, I wish to ask the majority leader or the whip if he can inform the House what might be the program as of September 12 when we return? That is Wednesday, I notice by the calendar; and Thursday, of course, is a day when we do not have much on the calendar. I wondered just what might be coming up on Wednesday the 12th.

Mr. PRIEST. I am very sorry to say to the gentleman from Nebraska that I cannot inform him or the House at this time. The program will be arranged

later and announced so the Members will know what the program will be.

Mr. MILLER of Nebraska. Will it be announced before we leave this coming Thursday?

Mr. PRIEST. I cannot say about that, but I can assure the gentleman that due notice will be given to all Members of the House.

Mr. HALLECK. Mr. Speaker, will the gentleman yield?

Mr. MILLER of Nebraska. I yield.

Mr. HALLECK. If it could be arranged that our offices would be informed as to what program, if any, is scheduled for the balance of the week beginning September 10, I think it would be very helpful to all of the Members.

Mr. PRIEST. I am sure it would be, and I can assure the gentleman that with the cooperation of the minority we will see that that is done.

Mrs. ROGERS of Massachusetts. Mr. Speaker, will the gentleman yield?

Mr. MILLER of Nebraska. I yield.

Mrs. ROGERS of Massachusetts. Has the gentleman any idea when the other body will have legislation ready for us?

Mr. PRIEST. I do not have any idea what might happen in the other body, or at what time they might have legislation ready; I am sorry.

Mr. RANKIN. Mr. Speaker, reserving the right to object, as I understand, this is a concurrent resolution.

Mr. PRIEST. It is.

Mr. RANKIN. Is the Senate supposed to take the same recess we do?

Mr. PRIEST. I do not know what the Senate plans, but I understand they do not intend to do so. That is not official, however; I have not been so informed.

Mr. RANKIN. Under the resolution they are not required to do so?

Mr. PRIEST. That is right.

Mr. MILLER of Nebraska. I hope the leadership will be able to inform the membership a week in advance as to the program. It takes time to return from our districts.

The SPEAKER. Is there objection to the request of the gentleman from Tennessee?

There was no objection.

INTERIM AUTHORITY TO THE SPEAKER TO MAKE CERTAIN APPOINTMENTS

Mr. PRIEST. Mr. Speaker, I ask unanimous consent that notwithstanding the adjournment of the House until Wednesday, September 12, 1951, the Speaker be authorized to appoint commissions, boards, and committees authorized by law or by the House.

The SPEAKER. Is there objection to the request of the gentleman from Tennessee?

There was no objection.

INTERSTATE COMPACT TO CONSERVE OIL AND GAS

Mr. LYLE. Mr. Speaker, by direction of the Committee on Rules I call up House Resolution 391 and ask for its immediate consideration.

The Clerk read the resolution, as follows:

Resolved, That immediately upon the adoption of this resolution it shall be in

order to move that the House resolve itself into the Committee of the Whole House on the State of the Union for the consideration of the joint resolution (S. J. Res. 42) consenting to an interstate compact to conserve oil and gas. That after general debate which shall be confined to the joint resolution and continue not to exceed 1 hour, to be equally divided and controlled by the chairman and ranking minority member of the Committee on Interstate and Foreign Commerce, the joint resolution shall be read for amendment under the 5-minute rule. At the conclusion of the consideration of the joint resolution for amendment, the Committee shall rise and report the joint resolution to the House with such amendments as may have been adopted and the previous question shall be considered as ordered on the joint resolution and amendments thereto to final passage without intervening motion except one motion to recommit.

Mr. LYLE. Mr. Speaker, this resolution makes in order the immediate consideration of Senate Joint Resolution 42, which is a resolution that simply continues the authority of the States to enter into a compact to conserve oil and gas, the same agreement that has been in existence since 1935.

Mr. Speaker, at this time I yield one-half of my time to the gentleman from Ohio [Mr. BROWN].

Mr. BROWN of Ohio. Mr. Speaker, as the gentleman from Texas [Mr. LYLE] has so well explained, House Resolution 391 makes in order the consideration of Senate Joint Resolution 42, which is a resolution, to continue the interstate compact to conserve oil and gas, a compact that has been very important in our economic life and one that should be continued.

I am informed there is a minority report filed along with the majority report, on this resolution, which comes from the Committee on Interstate and Foreign Commerce, and that in all probability one or two amendments will be offered to the resolution when it is considered under the 5-minute rule.

Mr. Speaker, I hope that this rule will be adopted.

Mr. FLOOD. Mr. Speaker, will the gentleman yield?

Mr. BROWN of Ohio. I yield to the gentleman from Pennsylvania.

Mr. FLOOD. Mr. Speaker, I would like to observe in connection with the question of conserving oil and gas—I presume for defense purposes—that if the country realized as it should that coal is the basic fuel of this Nation, and if more would convert to the use of coal, it is the best possible way to conserve natural gas and oil for fuel purposes.

Mr. BROWN of Ohio. Mr. Speaker, I yield 2 minutes to the gentleman from Massachusetts [Mr. HESELTON].

Mr. HESELTON. Mr. Speaker, in connection with the statement made by the gentleman from Ohio [Mr. BROWN] as to the proposed amendment, I would like to call your attention to the substance of it. It would direct the Attorney General to make a continuing study of the actions taken under the compact to determine whether anything is done inconsistent with the purposes of or contrary to the limitations and restrictions contained in the compact, and to make a report regularly and at least once a year.

During the hearings there was testimony from the head of the Antitrust Division that the department in the nearly 16 years of the existence of the compact had not taken any specific action or made any particular study directed toward the question as to whether or not there had been any violation of article V. There is no disposition on the part of the seven members who signed the minority report and others who did not but who join in urging the amendment, to say that there is any evidence whatever of a violation of law.

Our position arises from the testimony given at the hearings by the head of the Antitrust Division and specifically from the answer he gave to a question asked by the ranking minority member [Mr. WOLVERTON] as to whether there would be any objection to an amendment to accomplish this purpose.

Mr. Morison said:

No, sir, I have no objection whatever if in the wisdom of the committee and the Congress it is desirable.

Personally I hope that the majority of the committee will, when the amendment is offered, accept it. It seems to me to be a perfectly logical thing to say to the Attorney General, "You have general responsibility; we would like you to take specific responsibility, simply advise us whether there is any violation, and if there is, bring it to our attention." If there is no violation, no harm is done. If there are violations, it would seem clear that we should want to know the facts.

Mr. LYLE. Mr. Speaker, I move the previous question.

The previous question was ordered.

The SPEAKER. The question is on the resolution.

The resolution was agreed to.

Mr. BECKWORTH. Mr. Speaker, I move that the House resolve itself into the Committee of the Whole House on the State of the Union for the consideration of the joint resolution (S. J. Res. 42) consenting to an interstate compact to conserve oil and gas.

The motion was agreed to.

Accordingly the House resolved itself into the Committee of the Whole House on the State of the Union for the consideration of Senate Joint Resolution 42, with Mr. PRICE in the chair.

The Clerk read the title of the joint resolution.

By unanimous consent, the first reading of the joint resolution was dispensed with.

Mr. BECKWORTH. Mr. Chairman, I yield myself 5 minutes.

Mr. Chairman, this is a simple proposition; simple in that it simply extends something that has been in being insofar as the oil States and oil industry are concerned for 16 years. In February 1935, there was executed among several oil-producing States what was known as the interstate oil compact. In August 1935, 16 years ago, the Congress gave approval to that interstate oil compact. Since that time the approval has been extended for three 2-year periods and for two 4-year periods, making a total of some 16 years in all from 1935 to date.

It is very necessary that the Congress act rather speedily with reference to this particular extension because the authority expires September 1 of this year. The Senate passed this resolution unanimously. There was nothing but favorable testimony in regard to it in the Committee on Interstate and Foreign Commerce. The Secretary of the Interior, which perhaps has more to do with the oil industry than any other department of our Federal Government, favors it. The Secretary of Defense favors it. The Justice Department interposes no objection to it, and all in all I feel I can say to the membership of this House that the authorities of the Government are for it and feel it is necessary.

The Governor of Texas testified in favor of it and, as all of you know, Texas is vitally interested in the oil industry and in keeping the oil industry strong. The representatives of all the other 19 States have evidenced that they, too, are for it. The entire picture has been one of success and one of approval among those who seem to know most about the activities of the participants in the compact.

There has been some controversy with reference to an amendment that some seven members of the House Committee on Interstate and Foreign Commerce favored.

As far as I personally am concerned, I do not see that the amendment is needed. I think that is the feeling of the majority of the members of our committee.

The whole compact has worked well for 16 years as is, and it is felt in the interest of conservation, in the interest of orderly production of oil, and in the interest of those practices calculated to bring about the maximum production of oil and to keep improved the various fields in this country that the compact should be extended for an additional 4 years.

Mr. WOLVERTON. Mr. Chairman, I yield myself 15 minutes.

Mr. Chairman, Senate Joint Resolution 42 is what may be termed a continuing resolution. It provides for congressional consent to an interstate compact to conserve oil and gas that has been entered into by the States of Alabama, Arkansas, Colorado, Florida, Indiana, Kentucky, Louisiana, Michigan, Mississippi, Montana, New Mexico, New York, Ohio, Oklahoma, Pennsylvania, Tennessee, Texas, and West Virginia.

I speak of it as a continuing resolution for the reason that the original resolution, giving consent to a similar compact as now presented to the House, was adopted in the Seventy-fourth Congress, approved August 27, 1935—Public Resolution No. 64, Seventy-fourth Congress. The original compact was entered into by the States of Oklahoma, Texas, New Mexico, Illinois, Colorado, and Kansas. Since 1935, the compact has been renewed and extended five times. The present authority expires on September 1, 1951. The adoption of the resolution now before the House extends and renews this compact for a period of 4 years from September 1, 1951, to September 1,

1955. This proposed extension of the compact has the approval of the Department of the Interior, the Department of Defense, and the Federal Power Commission. No opposition has been expressed to the proposed extension by any agency of the Government. It has been passed by the Senate and favorably reported by the House Committee on Interstate and Foreign Commerce.

The minority report that has been filed by seven members of the Committee on Interstate and Foreign Commerce makes plain that they have no objection to the basic purpose of this resolution. Their attitude in this respect is set forth in the following words:

We are in entire agreement that the express purpose of the compact as expressed in article II, "to conserve oil and gas by the prevention of physical waste thereof from any cause" is entirely laudable and in the interest not only of the producers but of the consumers and our national defense.

However, the members of the committee who signed the minority report are of the opinion that care should be observed that the powers authorized to be carried into effect by the several States, parties to the compact, should not be used at any time in a manner detrimental to the public interest. Consequently, they feel it is imperative that some agency of Government should be required to keep constant supervision of the operation of the compact and report to Congress periodically with respect to the same.

To accomplish the above purpose I am informed it is the intention of the gentleman from Massachusetts [Mr. HESLTON] to introduce an amendment to the bill that will insert the following new section:

SEC. 2. The Attorney General of the United States shall make a continuing study of action taken under the compact set forth in section I of this act, with particular reference to whether any such action is inconsistent with the purposes of, or contrary to the limitations and restrictions contained in, such compact. The Attorney General shall report to the Congress from time to time, but not less often than once each year, the result of such study.

If such an amendment is introduced, I am in accord with the purpose sought to be attained by it. I direct your attention to the language contained in article V of the compact as justification for the proposed amendment. The purpose of this article is clearly in the public interest. It reads as follows:

It is not the purpose of this compact to authorize the States joining herein to limit the production of oil or gas for the purpose of stabilizing or fixing the price thereof, or create or perpetuate monopoly, or to promote regimentation, but is limited to the purpose of conserving oil and gas and preventing the avoidable waste thereof within reasonable limitations.

If the amendment is offered by the gentleman from Massachusetts [Mr. HESLTON], it would, if adopted, make article V more effective by specifically directing the Attorney General of the United States to make a continuing study of action taken under the compact with particular reference to whether any such action is inconsistent with the purposes, limitations, and re-

strictions contained in the compact. To require such a report is undoubtedly in the public interest, and, the Attorney General is likewise, undoubtedly, the proper official to make such study.

The purpose of the amendment—and the attitude of the Department of Justice which does not object to the inclusion of such an amendment as is proposed—is clearly set forth in the testimony taken from the hearings on the resolution before the Committee on Interstate and Foreign Commerce, as follows:

Mr. MORISON. I will tell you what I conceive, Mr. Congressman, to be the responsibility of the Department of Justice Antitrust Division, and that would be, as I have stated before, that if this article V should be violated by participating oil companies in these various States, and we could find such evidence, either upon complaint of a citizen or upon our own investigation, it would be my duty to bring a suit based on those facts.

Mr. WOLVERTON. I fully appreciate that. But I am asking who is the watchdog as to the effect of that section and whether it is carried out? Is there any governmental agency that has the direct duty of doing so?

Mr. MORISON. I would assume that my division, Mr. Congressman, would have the greatest responsibility for that. There may be others. I do not know. I keep speaking about the Interior Department, because I think of them in terms of this kind of project that they would have a continuing interest to watch this. I may be wrong.

Mr. WOLVERTON. This section was put in the bill originally for the very purpose I tried to emphasize: for the protection of the public interest. The very fact that it makes reference to monopoly and regimentation, and all the other elements that enter into Antitrust Act provisions indicates to me that the responsibility was upon the Attorney General. If there is any doubt about it, would you have any objection to any amendment being made to this bill that would make that clear?

Mr. MORISON. No, sir; I have no objection whatever if, in the wisdom of the committee and Congress, it is desired.

In emphasizing the importance of the provisions of article V, I would like to call attention to a portion of my remarks before the House when the original resolution was under consideration on August 24, 1935. The remarks to which I particularly refer are found on page 14591, volume 79, part 13, Seventy-fourth Congress, first session, and are as follows:

In answer to the question that was raised as to whether the underlying purpose of the compact was to control production so that it would have an effect on price, may I say that I believe the bills that were originally introduced seeking, under the terms of conservation, to control the production of oil really had for their purpose no other idea than stabilizing the price in a way that would be beneficial to the big oil-producing companies. Such legislation without adequate governmental supervision might prove highly detrimental to the consumers of this Nation. However, for the comfort of the gentleman who asked the question, may I say that there has been made a part of this proposed compact the following language, which appears in article V:

"It is not the purpose of this compact to authorize the States joining herein to limit the production of oil or gas for the purpose of stabilizing or fixing the price thereof, or create or perpetuate monopoly, or to promote regimentation, but is limited to the

purpose of conserving oil and gas and preventing the avoidable waste thereof within reasonable limitations."

On the question of the possible effect on price to the consumer as a result of curtailment of production, the following was said:

Mr. SROVICH. Would not the conservation, which is the purpose of this compact, in itself bring about a reduction of oil and thereby increase its cost?

Mr. WOLVERTON. There is no doubt in my mind that whenever you reduce the availability of any commodity there is a natural tendency to increase the price to the consumer.

In that connection I wish to give a word of warning. No legislation should be passed under the guise of conservation which has for its purpose or effect an increased price to the consumer, or that permits under the guise of stabilization a loss of the beneficial effect of supply and demand and open competition. Care must be observed in all such legislation to adequately and effectively guard the interests of the consuming public.

There can be no controlled production without having a direct effect upon the price to the consumer. While it may be necessary at some time to conserve oil as against its possible exhaustion, yet at no time should it be possible under the cloak of conservation to limit its production so that there will result a stabilization of price to the detriment of the public. All too frequently the real purpose of conservation agitation has been to stabilize an increased price of oil to the consumer.

We must never overlook the fact in considering any legislation that has for its purpose the control or limitation of production that the price to the consumer is thereby affected, and if there is no governmental supervision or control the price will be an increased price to the consumer. Whenever the available supply of any commodity is reduced or limited the direct result is an increased price to the consumer. This is particularly true when applied to any natural resource such as oil.

Therefore, no legislation should ever be passed that will make it possible for either a combination of oil-producing States or oil producers, large or small, to limit or restrict production to such an extent as to prove detrimental to the public interest.

Thus, while I am in favor of this resolution, I am nevertheless of the opinion that an amendment of the kind proposed would give additional protection to the consuming public and should be adopted.

Mr. HARRIS. Mr. Chairman, will the gentleman yield?

Mr. WOLVERTON. I yield to the gentleman from Arkansas.

Mr. HARRIS. I appreciate the fact that the gentleman is so thoroughly versed in the work and activity, as well as the result of the operation of the interstate oil compact. The gentleman was a member of the committee in 1934 when this matter was first brought to the attention of the Congress, when there became a very great need for some activity by the States, as presented by the oil compact which is authorized by the Constitution. The gentleman has been very attentive to this problem throughout these years and has observed the operation and very fine work of the interstate oil compact in the conservation of this great and important natural resource. The gentleman has referred to the fact that an amendment would be

offered. As I understood, he bases his support of the amendment on the ground that it would be in the public interest, thereby preventing the possibility, perhaps, of a price rise in the product of oil, and consequently would support it on that basis.

Mr. WOLVERTON. That is not entirely the situation. The question of increased price is not alone the reason. I am aware of the fact that prices have increased very generally and it might be perfectly proper that prices of gasoline and other petroleum products should increase. The purpose of the Heselton amendment is to have someone in Government make certain that the provisions of article V as contained in the compact will be observed.

Mr. HARRIS. Article V, of course, is the section of the resolution that deals with the pricing.

Mr. WOLVERTON. All that the amendment does, in my opinion, is to make more effective the provisions of article V, contained in the compact.

Mr. HARRIS. Out of the years of experience the gentleman has observed the effective operation of the interstate oil compact, which is an agency of all States who are members, has there been any indication or effort anywhere, either in your observation of the activities or hearings before the committee, or the record anywhere, that as a result of the compact there has been any increase in prices?

Mr. WOLVERTON. We have before us the fact that prices have continually increased since the time the compact was first entered into.

As to whether or not that has been due in whole or in part to the fact that a compact existed that curtailed production is a matter that in my opinion is a proper one for the Attorney General at all times to observe, and it is for that reason that I am willing to support the amendment which is to be offered by the gentleman from Massachusetts.

Mr. BECKWORTH. Mr. Chairman, I yield 5 minutes to the gentleman from New Mexico [Mr. DEMPSEY].

Mr. DEMPSEY. Mr. Chairman, I am very strongly of the opinion that this resolution should be adopted, and I am just as strongly of the opinion that the amendment should not. If I thought the amendment would do one good thing, I would be for the amendment.

Mr. HARRIS. Mr. Chairman, will the gentleman yield?

Mr. DEMPSEY. I yield.

Mr. HARRIS. Is it not a fact that the gentleman from New Mexico now speaking was Governor of that great State, made a great record there, of which we are all aware; but as Governor of the State of New Mexico, is it not a fact that the gentleman participated in the activities of the Oil Compact Commission and was actually a member of that commission?

Mr. DEMPSEY. Yes.

Mr. HARRIS. Consequently, speaking to the committee now is actually a man who has had experience and served on the commission itself for a good number of years.

Mr. DEMPSEY. I was the representative of the State of New Mexico on this

compact, as was Governor Carson for a time, Governor Shelton for a time, from my neighboring State of Kansas.

There is a great deal of discussion about price fixing. I can assure you that nothing about price fixing is involved in the compact at all; it is a conservation proposition.

Mr. BECKWORTH. When one of the witnesses representing one of the States was before our committee I asked him this question about price back in the war days. Of course, the petroleum industry wanted a raise in the price of crude oil. We had the Disney amendment around here.

Mr. DEMPSEY. They wanted it raised. It was raised in 1941, but in December of that year it was rolled back to April and there was never a raise during the war.

Mr. BECKWORTH. I want to finish this observation, because I think it is right to the point. I asked the witness whether or not in any of the compact meetings as between the States interested, the question of price was ever discussed or mentioned and he said "Never."

Mr. DEMPSEY. I have never heard in a compact meeting the question of price come up. It was something we had nothing to do with. As a matter of fact, I want to say for the information of the gentleman from New Jersey—and what I say will be borne out by the record—the price of crude oil during World War I got to \$3.50. It never went anywhere near that high in World War II, nor has it since.

Mr. WOLVERTON. Mr. Chairman, will the gentleman yield?

Mr. DEMPSEY. Certainly.

Mr. WOLVERTON. I wish to make it plain that there was no thought in my mind, and I do not think anything that I said could be properly interpreted that way, to the effect that the compact commission representing these different States had ever agreed among the representatives of the States for a price with respect to oil.

I spoke entirely of the economic principle involved—that when you curtail production, you necessarily increase price. I do not have any evidence, and I did not make the charge, that the compact commission had at any time agreed on price as between themselves.

Mr. DEMPSEY. Let me say to the gentleman from New Jersey that there is no attempt to curb or to reduce production except as it will affect the ultimate recovery of oil. As a result of the conservation established through the compact States and through their efforts, the ultimate recovery today is from 30 to 40 percent greater than it was during the years when we were rather careless about our natural resources. Today we conserve not only the oil but the gas. We put the gas through separators, taking the gasoline content from the gas, giving us a dry gas, which we put back into the ground, repressuring the sand in order to produce more oil. Those are the measures which are taken.

Now, if anything had been done in connection with the compact which violated or operated against the law, the Attorney General of the United States

could prosecute, the same as he would any other violator.

The CHAIRMAN. The time of the gentleman from New Mexico has expired.

Mr. BECKWORTH. Mr. Chairman, I yield the gentleman three additional minutes.

Mr. WOLVERTON. Mr. Chairman, will the gentleman yield?

Mr. DEMPSEY. I yield to the gentleman from New Jersey.

Mr. WOLVERTON. With further reference to the action of the compact commission, I want to say that I commend the work that the commission has done with respect to conservation. There is no doubt, as the gentleman has so well said, and is so well qualified to say, that a great service has been rendered in that respect. I do not want to take one bit of credit away from the compact commission in that respect. But the gentleman will agree with me, I am sure, that the very nature of the case required that article V be inserted in the compact. In other words, it was necessary to put article V in to guard against all possible procedures which might be detrimental to the public. Nobody has ever objected to that. The compact commission has not objected. No one has. The Congress has continued the resolution five different times over a period of 16 years, with that in it. All that this amendment that we speak of would require would be that the Attorney General report to the Congress the result of a continuing study by him to ascertain whether the provisions of article V are being complied with.

Mr. DEMPSEY. The majority of the Members of the compact States would have no objection to giving the Attorney General any information he desires; but to set up another branch of our Government to check on something that is so well checked now—better than any of our natural resources—I do not think it is necessary. Let me say that as the Governor of the State of New Mexico and as a member of the compact commission, I was representing as a landowner and an oil producer the University of the State of New Mexico. I was representing the Military Institute of the State of New Mexico, and other State agencies which had oil land. The Interior Department of the Federal Government is probably the greatest owner of land in the State of New Mexico, a great deal of which is oil-producing. As a matter of fact, it was from the Secretary of the Interior that the directive as to the proration was received.

The CHAIRMAN. The time of the gentleman from New Mexico has again expired.

Mr. WOLVERTON. Mr. Chairman, the gentleman has been so courteous to me in giving me an opportunity to explain my position that I yield the gentleman one additional minute.

Mr. DEMPSEY. In the production of oil you have to take a lot of elements into account. Formerly, we had wells that we considered deep at 3,000 to 4,000 feet. Today they are shallow wells. Today we are going down 12,000 to 15,000 feet. When those wells are drilled, and after they produce, a special allowance is given, based upon the depth of the

well, in order that the operator will be reimbursed for that additional depth. Every consideration is given to the production, based upon one thing: conservation—not price. If we would turn these wells loose and let them produce what they can produce, I think that the ultimate recovery would be 50 percent less. When you have great gas pressure there is sometimes created a bottom-hole condition. This automatically deepens the well, and at times it results in running into salt water—which destroys the well. So, that is one thing that we, who know something about the oil business, take into consideration.

Mr. WOLVERTON. Mr. Chairman, I yield 10 minutes to the gentleman from Massachusetts [Mr. HESELTON].

Mr. HESELTON. Mr. Chairman, in the first place I think it is quite unfortunate that the resolution has to come up under existing circumstances. I am under no illusions. I realize that a great many Members who might be interested in what the gentleman from New Jersey has said and what the minority report says are not able to be here. I do not even know whether I want to impose on the membership by making any point of order of no quorum. I know that many of my friends who are opposed to this point of view, are here and are quite properly interested in the prompt passage of the resolution without amendment.

The gentleman from New Jersey has pointed out, as the minority views state, that the Attorney General does not object to this kind of an amendment; in fact, his representative says it is perfectly agreeable to him. I have a letter here addressed to me, dated July 9, by Hon. Newell A. Clapp, Acting Assistant Attorney General, and I want to read one sentence:

It is my understanding that the Department has never felt it was under any obligation to investigate the activities of the States as to whether the express purpose of the compact has been fulfilled.

That is the Department of Justice itself saying it has no obligation whatever to see that the provision of article V, which the States have written into a compact itself, have not been violated.

I certainly cannot understand the opposition to placing this specific responsibility in the hands of a department of the executive branch of this Government. It is not just another agency; it is a department that is charged with the carrying out the laws, and particularly the antitrust laws in this instance. Why anyone should seriously argue that that Department should not discharge its responsibility is really beyond my comprehension.

It has been stated that there has never been any complaint made as to the operation of the compact. On January 31, 1949, the Special Committee To Study the Problems of American Small Business in the other body filed its final report on oil supply and distribution problems. It was stated that the executive secretary of the interstate oil compact commission testified before the committee, and he was asked in terms of the provisions of the compact a question,

and the report goes on to say that the executive secretary of the compact testified that the purpose of proration laws was to prorate the market demands, and that when you limit the market demands, of course, you affect the price. I do not see how anybody with elementary knowledge of the situation, even the producers themselves, could seriously argue that if you keep the level of production just even with or under the prospective demands, you are necessarily going to at least stabilize the price, and that it probably has had the further effect of increased prices charged for oil in the last few years.

Then that committee went on to say this:

It seems to the committee that the interstate oil compact commission has gone far beyond the laudatory purposes cited in its compact, the basis upon which the Congress acted in approving same. Hence, it is recommended that the appropriate committees of the Congress look into the operation of the compact with a view to either repealing the authority or the enactment of proper amendments to safeguard the public interests.

We are not asking you to repeal the compact. We even said in the report that we believed the laudatory purposes of the compact should be carried out. We voted in favor of reporting the compact. All in the world we are asking you to do is to make it possible for the public and for Congress to know how this compact is operating and whether it is complying with article V.

If you are going to oppose it, I submit that you are doing nothing more nor less than putting blinders on Congress and making it impossible for the appropriate committees of Congress, and this committee is one of those committees, to enact amendments to safeguard the public interest. That is all that is involved in this amendment.

Some question has been raised as to whether or not in the operation of the compact itself there is any effect, direct or indirect, on the price of oil. I have looked through some of the records. At a meeting on April 29 and 30, 1938, at Wichita, Kans., Gov. Walter Huxman, of Kansas, said very frankly to those who were attending that compact meeting:

There is no reason in the world why we shouldn't stabilize the price of oil.

Dr. Joseph E. Pogue, economist and vice president of the Chase National Bank, said:

Thus proration, as now operated, is a means for preventing waste and at the same time is an agency for effectuating and maintaining economic equilibrium.

This means nothing more nor less than stabilizing the price of the product.

Dr. Alexander Sachs, an economist, at that same meeting said:

Along with that there was an incentive to such development by reason of the collapse of the price structure, and so we have developed a stabilized idea, an idea where the focus of interest was the stable price.

Those, I submit, are statements which should be convincing to any of us who are interested in seeing that the public

is protected in the operation of this compact.

If you go back into the history of the compact and study the work of the Cole committee, of which the gentleman from New Jersey [Mr. WOLVERTON] was a member, you will find that in the background lay suggestions that the antitrust laws be waived in connection with solving the critical problem that then existed as to the production of oil. You will find that when the committee reported out this bill it was the same bill that passed the House and became law. There was a recommendation made in the bill that was reported by this committee that there should be established a Federal board. To do what? To see that in the fixing of these so-called allowables the public interest was protected.

I suggest to you that when you have a situation—and I am not making any charges nor is the gentleman from New Jersey nor any other Members of the minority—that there has been anything wrong about it. But we did say that where you have the oil-producing States concerned they have been properly and rightly concerned about the conservation features and properly and rightly concerned about the price structure. You have members of the oil industry coming before the State proration boards making estimates of what they think will be consumed in the period ahead. You have these estimates from all of the major companies. For instance, at Texas in the State-wide meeting on May 17, 1950, practically every one of the company representatives agreed that the amount of crude that would be consumed was almost the same figure.

When you have absolutely no one who is charged with that specific responsibility to protect the interest of the public, participating in these compact commission meetings, deliberations, and recommendations, and certainly no one representing the public in connection with the setting of the allowables, we, as representatives of the public at large, have our responsibility to provide some means of checking this to determine whether there has been any violation of existing law or of the limitations in the compact itself. I submit that there is not a Member who will vote against this amendment this afternoon who would not support a prosecution, if there was developed in the course of an investigation that there was a violation of the antitrust laws. I submit there is not a Member here who would tolerate any combination in restraint of trade if it was pointed out as a fact. But, I do submit all of us have a higher responsibility than to any particular interest or special interest. It is all right for us to be concerned about the conservation of some particular product. I suppose we might extend that even to the conservation of minerals which are wasted, although we have never done that. I think, however, in the long run, any Member of Congress who wants to represent the best interests of the public as a whole, should give serious consideration to the legitimate interests of the public, the consuming public. After all, they should be entitled to some consid-

eration in connection with this legislation.

Mr. HARRIS. Mr. Chairman, will the gentleman yield?

Mr. HESELTON. I yield.

Mr. HARRIS. The gentleman referred, of course, to the antitrust laws. Certainly, there is not a member of this committee, and of the Congress, I am sure, who would condone any activity which was in violation of the antitrust laws. Is it not true that if there were any violation of the antitrust laws under the present law, the Department of Justice and the Attorney General have the authority, and, in fact, it is the duty of the Attorney General to step in and prosecute any violations which may exist?

Mr. HESELTON. That is absolutely true. But, when the Attorney General says, as I stated earlier, that during the whole course of the 16 years, it was not their understanding that the Department had any obligation to investigate the activities of the States as to whether the expressed purpose of the compact had been fulfilled; and when the Attorney General says in answer to a question put to him by the gentleman from New Jersey [Mr. WOLVERTON] that they had no objection to an amendment which would spell out that responsibility in this connection, then I think it is high time that the Congress should discharge its responsibility in seeing to it that the compact really does what it asserts it does, and that is create real conditions of conservation without affecting price through some violation of the antitrust laws.

Mr. HARRIS. The gentleman relied on some meeting in Texas on May 17, 1950. Is it not a fact that that was a meeting of the Texas Railroad Commission that has the jurisdiction and authority on a local State level of setting allowables and carrying out the provisions of the State conservation laws and that the oil compact had nothing whatsoever to do with the meeting?

Mr. HESELTON. It is a fact that that was a State meeting. But, the difficulty, as I have seen it, and I realize that there may be a difference of opinion about this, is that those States are encouraged by the compact commission to operate this particular allowable procedure and that the allowable procedure is desired on a Nation-wide basis. It is intended to set up a situation where there will not be any excess over what will be consumed. Economically, everyone of us knows that where you have a situation like that, whether it is oil or wheat or any other commodity, if you do not have more than enough to take care of the demand, you inevitably affect the price.

The CHAIRMAN. The time of the gentleman has expired.

Mr. BECKWORTH. Mr. Chairman, I have no further requests for time.

Mr. WOLVERTON. Mr. Chairman, I have no further requests for time.

The CHAIRMAN. The Clerk will read. The Clerk read as follows:

Resolved, etc., That the consent of Congress is hereby given to an extension and renewal for a period of 4 years from September 1, 1951, of the Interstate Compact

to Conserve Oil and Gas, which was signed in the city of Dallas, Tex., the 16th day of February 1935 by the representatives of Oklahoma, Texas, California, and New Mexico, and at the same time and place was signed by the representatives, as a recommendation for approval to the Governors and Legislatures, of the States of Arkansas, Colorado, Illinois, Kansas, and Michigan, and prior to August 27, 1935, said compact was presented to and approved by the Legislatures and Governors of the States of New Mexico, Kansas, Oklahoma, Illinois, Colorado, and Texas, which said compact so approved by the 6 States last above named was deposited in the Department of State of the United States, and thereafter such compact was, by the President, presented to the Congress, and the Congress gave consent to such compact by House Joint Resolution 407, approved August 27, 1935 (Public Resolution No. 64, 74th Cong.), and which said compact was thereafter extended and renewed for a period of 2 years from September 1, 1937, by an agreement executed as of the 10th day of May 1937 by the representatives of the States of Oklahoma, Texas, Kansas, New Mexico, Illinois, and Colorado, and was deposited in the Department of State of the United States, and thereafter such extended and renewed compact was, by the President, presented to the Congress and the Congress gave consent to such extended and renewed compact by Senate Joint Resolution 183, approved August 10, 1937 (Public Resolution No. 57, 74th Cong.), and which said compact was thereafter extended and renewed for a period of 2 years from September 1, 1939, by an agreement duly executed and ratified by the States of Oklahoma, Texas, Kansas, Colorado, New Mexico, and Michigan, and was deposited in the Department of State of the United States, and thereafter such extended and renewed compact was, by the President, presented to the Congress and the Congress gave consent to such extended and renewed compact by House Joint Resolution 329, approved July 20, 1939 (Public Resolution No. 31, 76th Cong.), and which said compact was thereafter extended and renewed for a period of 2 years from September 1, 1941, by an agreement duly executed and ratified by the States of Texas, Oklahoma, Kansas, Colorado, New Mexico, Illinois, Michigan, Arkansas, Louisiana, New York, and Pennsylvania, and was deposited in the Department of State of the United States, and thereafter such extended and renewed compact was, by the President, presented to Congress and the Congress gave consent to such extended and renewed compact by House Joint Resolution 228, approved August 21, 1941 (Public Law 246, 77th Cong.), and which compact was thereafter extended and renewed for a period of 4 years from September 1, 1943, by an agreement executed and ratified by representatives of the States of Kansas, Oklahoma, Texas, Colorado, New Mexico, Arkansas, Louisiana, and Kentucky, and was deposited in the Department of State of the United States and thereafter such extended and renewed compact was, by the President of the United States, presented to Congress and the Congress gave consent to such extended and renewed compact by House Joint Resolution 139, approved July 7, 1943 (Public Law 117, 78th Cong.) and thereafter the representatives of the States of Montana, West Virginia, Alabama, Illinois, Michigan, New York, Pennsylvania, Ohio, Florida, Tennessee, and Indiana executed counterparts of said agreement, and said counterparts so executed were deposited in the Department of State of the United States; and which compact was thereafter extended and renewed for a period of 4 years from the 1st day of September 1947 by an agreement executed and ratified by the representatives of the States of Alabama, Arkansas, Colorado, Florida,

Kansas, Louisiana, Montana, New Mexico, New York, Ohio, Oklahoma, Pennsylvania, Texas, Tennessee, West Virginia, and Indiana, which was deposited in the Department of State of the United States, and such extended and renewed compact was, by the President of the United States, presented to Congress, and Congress gave its consent to such extended and renewed compact by Senate Joint Resolution 122 (Public Law 184, 80th Cong.); and thereafter the representatives of the States of Kentucky, Illinois, Mississippi, and Michigan executed counterparts of said agreement, which executed counterparts were deposited in the Department of State of the United States. The agreement to extend and renew said compact for a period of 4 years from September 1, 1951, to September 1, 1955, duly executed by the representatives of Alabama, Arkansas, Colorado, Florida, Indiana, Kentucky, Louisiana, Michigan, Mississippi, Montana, New Mexico, New York, Ohio, Oklahoma, Pennsylvania, Tennessee, Texas, and West Virginia, has been deposited in the Department of State of the United States, and reads as follows:

AN AGREEMENT TO EXTEND THE INTERSTATE COMPACT TO CONSERVE OIL AND GAS

Whereas, on the 16th day of February, 1935, in the city of Dallas, Tex., there was executed "An Interstate Compact to Conserve Oil and Gas" which was thereafter formally ratified and approved by the States of Oklahoma, Texas, New Mexico, Illinois, Colorado, and Kansas, the original of which is now on deposit with the Department of State of the United States, a true copy of which follows:

"AN INTERSTATE COMPACT TO CONSERVE OIL AND GAS

"Article I

"This agreement may become effective within any compacting State at any time as prescribed by that State, and shall become effective within those States ratifying it whenever any three of the States of Texas, Oklahoma, California, Kansas, and New Mexico have ratified and Congress has given its consent. Any oil-producing State may become a party hereto as hereinafter provided.

"Article II

"The purpose of this compact is to conserve oil and gas by the prevention of physical waste thereof from any cause.

"Article III

"Each State bound hereby agrees that within a reasonable time it will enact laws, or if laws have been enacted, then it agrees to continue the same in force, to accomplish within reasonable limits the prevention of:

"(a) The operation of any oil well with an inefficient gas-oil ratio.

"(b) The drowning with water of any stratum capable of producing oil or gas, or both oil and gas, in paying quantities.

"(c) The avoidable escape into the open air or the wasteful burning of gas from a natural gas well.

"(d) The creation of unnecessary fire hazards.

"(e) The drilling, equipping, locating, spacing or operating of a well or wells so as to bring about physical waste of oil or gas or loss in the ultimate recovery thereof.

"(f) The inefficient, excessive or improper use of the reservoir energy in producing any well.

"The enumeration of the foregoing subjects shall not limit the scope of the authority of any State.

"Article IV

"Each State bound hereby agrees that it will, within a reasonable time, enact statutes, or if such statutes have been enacted then that it will continue the same in force, providing in effect that oil produced in violation of its valid oil and/or gas conservation statutes or any valid rule, order or regulation

promulgated thereunder, shall be denied access to commerce; and providing for stringent penalties for the waste of either oil or gas.

"Article V"

"It is not the purpose of this compact to authorize the States joining herein to limit the production of oil or gas for the purpose of stabilizing or fixing the price thereof, or create or perpetuate monopoly, or to promote regimentation, but is limited to the purpose of conserving oil and gas and preventing the avoidable waste thereof within reasonable limitations.

"Article VI"

"Each State joining herein shall appoint one representative to a commission hereby constituted and designated as the Interstate Oil Compact Commission, the duty of which said commission shall be to make inquiry and ascertain from time to time such methods, practices, circumstances, and conditions as may be disclosed for bringing about conservation and the prevention of physical waste of oil and gas, and at such intervals as said commission deems beneficial it shall report its findings and recommendations to the several States for adoption or rejection.

"The Commission shall have power to recommend the coordination of the exercise of the police powers of the several States within their several jurisdictions to promote the maximum ultimate recovery from the petroleum reserves of said States, and to recommend measures for the maximum ultimate recovery of oil and gas. Said Commission shall organize and adopt suitable rules and regulations for the conduct of its business.

"No action shall be taken by the Commission except: (1) by the affirmative votes of the majority of the whole number of the compacting States represented at any meeting, and (2) by a concurring vote of a majority in interest of the compacting States at said meeting, such interest to be determined as follows: such vote of each State shall be in the decimal proportion fixed by the ratio of its daily average production during the preceding calendar half-year to the daily average production of the compacting States during said period.

"Article VII"

"No State by joining herein shall become financially obligated to any other State, nor shall the breach of the terms hereof by any State subject such State to financial responsibility to the other States joining herein.

"Article VIII"

"This compact shall expire September 1, 1937. But any State joining herein, may upon sixty (60) days' notice, withdraw herefrom.

"The representatives of the signatory States have signed this agreement in a single original which shall be deposited in the archives of the Department of State of the United States, and a duly certified copy shall be forwarded to the Governor of each of the signatory States.

"This compact shall become effective when ratified and approved as provided in Article I. Any oil-producing State may become a party hereto by affixing its signature to a counterpart to be similarly deposited, certified, and ratified."

Whereas, the said Interstate Compact to Conserve Oil and Gas has heretofore been duly renewed and extended with the consent of the Congress to September 1, 1951; and,

Whereas, it is desired to renew and extend the said Interstate Compact to Conserve Oil and Gas for a period of four (4) years from September 1, 1951, to September 1, 1955;

Now, Therefore, This Writing Witnesseth: It is hereby agreed that the Compact entitled "An Interstate Compact to Conserve

Oil and Gas" executed in the City of Dallas, Texas, on the 16th day of February, 1935, and now on deposit with the Department of State of the United States, a correct copy of which appears above, be, and the same hereby is, extended for a period of four (4) years from September 1, 1951, its present date of expiration. This agreement shall become effective when executed, ratified, and approved as provided in Article I of the original Compact.

The signatory States have executed this agreement in a single original which shall be deposited in the archives of the Department of State of the United States and a duly certified copy thereof shall be forwarded to the Governor of each of the signatory States. Any oil-producing State may become a party hereto by executing a counterpart of this agreement to be similarly deposited, certified, and ratified.

Executed by the several undersigned states, at their several State capitols, through their proper officials on the dates as shown, as duly authorized by statutes and resolutions, subject to the limitation and qualifications of the acts of the respective State Legislatures.

THE STATE OF ALABAMA
By JAMES E. FOLSOM
Governor

Dated: 12-4-50
Attest: SIBYL POOL
Secretary of State

[SEAL]
THE STATE OF ARKANSAS
By SID McMATH
Governor

Dated: 10-11-50
Attest: C. G. HALL
Secretary of State

[SEAL]
THE STATE OF COLORADO
By WALTER W. JOHNSON
Governor

Dated: 12-1-50
Attest: GEO. G. BAKER
Secretary of State

[SEAL]
THE STATE OF FLORIDA
By FULLER WARREN
Governor

Dated: Nov 15-1950
Attest: R. A. GRAY
Secretary of State

THE STATE OF ILLINOIS
By _____
Governor

Dated: _____
Attest: _____
Secretary of State

THE STATE OF INDIANA
By HENRY F. SCHRICKEER
Governor

Dated: 10-25-50
Attest: CHARLES F. FLEMING
Secretary of State

THE STATE OF KANSAS
By _____
Governor

Dated: _____
Attest: _____
Secretary of State

THE STATE OF KENTUCKY
By LAWRENCE W. WETHERBY
Governor

Dated: December 11, 1950
Attest: GEORGE GLENN HATCHER
Secretary of State
SUSAN B. RUTHERFORD
Assistant Secretary of State

THE STATE OF LOUISIANA
By EARL K. LONG
Governor

Dated: November 1, 1950
Attest: WADE O. MARTIN, JR.
Secretary of State

THE STATE OF MICHIGAN
By G. MENNEN WILLIAMS
Governor

Dated: January 31, 1951
Attest: F. M. ALGER, JR.
Secretary of State

THE STATE OF MISSISSIPPI
By F. L. WRIGHT
Governor

Dated: Nov. 8, 1950
Attest: HEBER LADNER
Secretary of State

THE STATE OF MONTANA
By JOHN W. BONNER
Governor

Dated: November 22nd 1950
Attest: SAM C. MITCHELL
Secretary of State

THE STATE OF NEW MEXICO
By THOMAS J. MABRY
Governor

Dated: _____
Attest: ALICIA ROMERO
Secretary of State

THE STATE OF NEW YORK
By THOMAS E. DEWEY
Governor

Dated: 2-20-51
Attest: WALTER J. GOING
Deputy Secretary of State

THE STATE OF OHIO
By FRANK J. LAUSCHE
Governor

Dated: 1-3-51
Attest: CHARLES F. SWEENEY
Secretary of State

THE STATE OF OKLAHOMA
By ROY J. TURNER
Governor

Dated: Oct. 7, 1950
Attest: WILLIAM CARTWRIGHT
Secretary of State

THE STATE OF PENNSYLVANIA
By JOHN S. FINE
Governor

Dated: 2-21-51
Attest: GERALD SMITH
Secretary of State

THE STATE OF TENNESSEE
By GORDON BROWNING
Governor

Dated: 2-16-51
Attest: JAMES H. CUMMINGS
Secretary of State

THE STATE OF TEXAS
By ALLAN SHIVERS
Governor

Dated: October 3, 1950
Attest: LOUIS SCOTT WILKERSON
Ass't Secretary of State

THE STATE OF WEST VIRGINIA
By OKEY L. PATTERSON
Governor

Dated: January 8, 1951
Attest: D. PITT O'BRIEN
Secretary of State

SEC. 2. The right to alter, amend, or repeal the provisions of section 1 is hereby expressly reserved.

Mr. BECKWORTH (interrupting the reading of the resolution). Mr. Chairman, I ask unanimous consent that the entire resolution be considered as read and open to amendment at any point.

The CHAIRMAN. Is there objection to the request of the gentleman from Texas?

There was no objection.

Mr. HESELTON. Mr. Chairman, I offer an amendment which is at the Clerk's desk.

The Clerk read as follows:

Amendment offered by Mr. HESELTON: Page 16, after line 18, insert:

"SEC. 2. The Attorney General of the United States shall make a continuing study of action taken under the compact set forth in Section I of this Act, with particular reference to whether any such action is inconsistent with the purposes of, or contrary to the limitations and restrictions contained in, such compact. The Attorney General shall report to the Congress from time to time, but not less often than once each year, the result of such study."

Page 16, line 19, renumber section 2 accordingly.

Mr. HESELTON. Mr. Chairman, I shall not take much time, because I think nearly everyone who was here a few minutes ago has remained here, and heard what I had to say at that time.

In terms of what this amendment would do, I would like to read the provision in the Interstate Compact itself toward which the amendment is directed. I realize that Members probably have not had an opportunity to acquaint themselves with the full nature of this particular compact. I do not believe it has been changed since the original compact was drafted. This is the pertinent provision:

Article V. It is not the purpose of this compact to authorize the States joining herein to limit the production of oil or gas for the purpose of stabilizing or fixing the price thereof, or create or perpetuate monopoly, or to promote regimentation, but is limited to the purpose of conserving oil and gas and preventing the avoidable waste thereof within reasonable limitations.

Let me emphasize this:

"It is not for the purpose to authorize the steps to limit the production of oil or gas for the purpose of stabilizing or fixing the price thereof."

I submit that is the heart of the whole proposition.

If we can be assured by the Attorney General of the United States, after he has made inquiry, that there has been no such result, then I do not see why we have anything to fear. Certainly, I think that everyone who is interested in the great public interest involved in this would feel that they would want to have the protection of such action by the Attorney General. But if there have been actions taken in violation of existing law or of the compact itself, I would think all of us would want that to be known and prevented.

This amendment would have the single result of fixing a specific responsibility in the Department of Justice to see to it that the facts are established and that the Congress be informed of those facts. It seems to me very difficult to understand why the consumers should not have the benefit of making article V mean what it says. I cannot believe that their legitimate interests will be entirely overlooked in dealing with this legislation here today. I yield back the balance of my time, Mr. Chairman.

Mr. HARRIS. Mr. Chairman, I rise in opposition to the amendment.

Mr. Chairman, I fully realize the interest constantly manifested in this problem by our esteemed and devoted

friend and colleague from Massachusetts [Mr. HESELTON]. I have served on the committee with him for a number of years. I want to commend him for his diligence and his hard work, his sincerity, and his conscientious efforts at all times in matters wherein the American people are affected.

I am opposed to this amendment for reasons that I think are deeply fundamental to our American system of Government under the Constitution.

But first, I should like to say that this matter is before us as passed by the Senate. It extends the Oil Compact Commission for another period of 4 years. The Senate, as has already been said, passed it unanimously.

INTERSTATE COMPACT TO CONSERVE OIL AND GAS

The interstate compact to conserve oil and gas was originally drafted and agreed upon by representatives of the oil-producing States in Dallas in 1935. The Congress consented to the compact, in accordance with the requirements of article I, section 10, of the Constitution, in August of 1935. Subsequent extensions of the compact have been made by the States, with the participation increasing from 6 to 20 States, and these extensions have been consented to by the Congress.

The compact, itself, is an instrument in the forming of which the House Committee on Interstate and Foreign Commerce had much to do. During 1934, a special subcommittee, under the chairmanship of Representative COLE, held extensive hearings upon the general subject of petroleum and the serious situation then confronting the industry owing to the large discoveries in east Texas, and the physical waste of oil which ensued.

In commenting on this situation, the Cole subcommittee said in its report of January 3, 1935:

We strongly urge upon the oil-producing States the adoption of State compacts to deal with the problems of the production of petroleum with which individual States are powerless to cope. The subcommittee clearly recognizes the principle of State compacts for the purchase of effecting a common end of State interests. * * *

We are confident that the governors of the oil-producing States and the majority of the industry within these States, are cognizant of the common-sense theory that waste of petroleum resources must be prevented. * * * We believe that they should be given the opportunity to take the initiative in drafting definite proposals without the Congress setting forth in a permissive way something in advance for the States to adopt.

Subsequently in commenting upon the proposed interstate oil compact, Mr. COLE, reporting for the entire Interstate and Foreign Commerce Committee, stated:

As the initial report of the subcommittee will disclose, they gave during the investigation considerable encouragement to the formation of the Interstate Compact and are glad to state in this report that which is known to many Members of the House, that through the efforts of many progressive governors of a number of the oil-producing States, and we feel to some extent as a result of the encouragement of the subcommittee, such a compact has been entered into.

The original compact extended for 2 years. It has been extended three times for periods of 2 years, and twice, since 1943, for periods of four years. We now propose to give consent of the Congress for a further extension of four years until September 1, 1955.

Each time the matter of a renewal has arisen, the compact has been highly recommended to the Congress for its consent. Presidents Roosevelt and Truman have urged such consent be given, and the Secretary of Interior, under whom is the administration of most of our natural resources, has likewise made such recommendation for each renewal.

The present extension has been urged by the Secretary of Interior, the Secretary of Defense, and the Federal Power Commission. The Attorney General, National Security Resources Board, and the Federal Trade Commission have indicated they had no objection to the extension.

During the 16 years in which the interstate oil compact has been in effect and the interstate oil compact commission in operation, all member States have enacted comprehensive oil and gas conservation laws, or greatly improved their existing conservation statutes and regulations. Much information has been compiled and exchanged bearing on the utilization of casinghead gas, secondary recovery, and conservation in general. This effort on the part of the States to conserve and prevent physical waste of a natural resource so vital to our economy and to our defense, has been exceedingly successful and is to be commended. The continuation of such effort is to be fostered.

On these several occasions the authority for the oil compact has been extended by unanimous consent by both branches of the Congress. Now we have it before us today having been reported by our committee. The resolution to take a few days recess has already been adopted and we get out of here Thursday. The compact commission expires September 1. The committee reported the resolution identical with that reported and passed by the other body. If this is not adopted without amendment then as a parliamentary situation and procedure it must go back to the other body; if not accepted, there must be a conference between the House and the Senate, and that means there will be no opportunity to pass this resolution before September 1 and it will expire. That is the practical situation we have before us.

Now to go back to the amendment and my opposition to it.

I do not know of a time since 1935 that the gentleman from New Jersey, one of the ablest Members of our committee and of this House, has raised this question covered by the amendment before. I do not know of a thing that has come to the attention of this committee, any testimony during the course of the hearings this time that has justified the innuendo or the implication that State agencies are meeting together, conspiring or permitting any conspiracy on something that was not intended

when the Congress extended this authority to them under the Constitution of the United States. I do not know of anything in the hearings or anywhere that has caused any suspicion to develop in the mind of anyone or the slightest information that there has resulted in the course of any meeting of the interstate oil compact commission anything to raise any suspicion that these State agencies were doing something contrary to the laws of the United States and the best interests of the public. This is for conservation purposes and has proven to be very effective as such.

Mr. HESELTON. Mr. Chairman, will the gentleman yield?

Mr. HARRIS. I yield to the gentleman from Massachusetts.

Mr. HESELTON. On that point the gentleman will agree, will he not, that the report of the special committee of the other body to which I referred, was not filed until 1949; and, consequently, there was no evidence of any kind whatsoever so far as I know that the gentleman from New Jersey or anyone else had prior to that time.

The CHAIRMAN. The time of the gentleman from Arkansas has expired.

Mr. HARRIS. Mr. Chairman, I ask unanimous consent to proceed for five additional minutes.

The CHAIRMAN. Is there objection to the request of the gentleman from Arkansas?

There was no objection.

Mr. HARRIS. I stand corrected. That was a committee report that came out of the other body, as I understand, prepared by one of two men, and it undertook to say a lot of things were going on in the meetings of the interstate oil compact commission which has not yet until this day ever been sustained by the facts or evidence presented before any committee. It is a distortion of facts, in my opinion, and highly prejudicial.

Mr. THORNBERRY. Mr. Chairman, will the gentleman yield?

Mr. HARRIS. I yield.

Mr. THORNBERRY. Is it not true also that this compact resolution was passed by the Senate by unanimous vote and the chairman of the subcommittee that issued the report to which the gentleman from Massachusetts referred is presently or still in that body?

Mr. HARRIS. Yes; that is true, and a very timely comment at this point. He obviously must have approved of the extension as there was no objection when it was called up and passed. With all deference to my esteemed friend, let me say to the members of this committee that apparently he has something in his mind that something unsavory is going on. I do not know whether it is lack of confidence in the State agencies or in the State governments or not, because at first he proposed an amendment which he attempted to get accepted in the committee but was rejected. Then, another amendment was prepared by our good friend, sincere and conscientious I know he is, which was likewise rejected. Both proposals implied that the exercise of police powers of States in such matters is delegated by the Federal Government or exercised by States at the suf-

ferance of the Federal Government. The contrary is true. I do not know whether it is an attempt to get an amendment in here just to be amending or not. However, the amendment was not agreed to. The States have the inherent power through their legislatures to enact legislation reasonably necessary for protection of the welfare of the people. Congress cannot limit such powers.

Now, he comes up with this proposition that the Attorney General of the United States shall make a continuing study. Mind you, the Attorney General would be directed by the Congress, under this amendment, to go down to the State agencies who are authorized to do a job, and assume supervisory watch or control over them to determine whether or not they are carrying out the provisions of this article we are presenting here. That is all in the world it does. It simply manifests a lack of confidence in State agencies, which is an important part of the machinery set up under the Constitution of the United States, and I say to you it is a dangerous precedent to follow.

Mr. HESELTON. Mr. Chairman, will the gentleman yield? The gentleman has made a statement about my position.

Mr. HARRIS. I yield to the gentleman from Massachusetts.

Mr. HESELTON. Is it not a fact that the Congress of the United States has actually instructed the Federal Power Commission to study the operation of the interstate oil compact and to report to Congress? So we do have a precedent.

Mr. HARRIS. I want it perfectly understood that there is not a State among the twenty-odd that belongs to the commission; there is not a State that I know of that objects to the whole Department of Justice coming down to the meeting, and I do not object myself, but the implication here that there are certain things going on would be a dangerous precedent for this Congress to set in directing the Attorney General to make a study over the activities of State organizations and State agencies.

It is a police power that is being invaded and which belongs to the States. That is pretty fundamental in the whole operation of our Government. It is not something to take lightly in order to get an amendment to something, or just because you want to amend. Mind you, Mr. Chairman, you are dealing here with something that is fundamental to the police powers of the State and the activities of the State agencies under a very worthy and legitimate operation.

I want to say to the membership of the committee that I believe in all sincerity, with deference to my good friend from Massachusetts, that you better consider a long time before you make this move and say, not directly but by implication, that the States through the operation of their State agencies are permitting activities in connection with these meetings that are in violation of the antitrust laws.

This amendment should be voted down. Let us send this resolution on to the President for his signature, and permit the States to continue the good

work they are accomplishing under this program.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Massachusetts [Mr. HESELTON].

The question was taken; and on a division (demanded by Mr. HESELTON) there were—ayes 6, noes 58.

So the amendment was rejected.

Mr. BECKWORTH. Mr. Chairman, I ask unanimous consent that all Members who so desire may extend their remarks at this point in the Record.

The CHAIRMAN. Is there objection to the request of the gentleman from Texas?

There was no objection.

The CHAIRMAN. Under the rule the Committee rises.

Accordingly the Committee rose; and the Speaker having resumed the chair, Mr. PRICE, Chairman of the Committee of the Whole House on the State of the Union, reported that that Committee, having had under consideration the joint resolution (S. J. Res. 42) consenting to an interstate compact to conserve oil and gas, pursuant to House Resolution 391, he reported the joint resolution back to the House.

The SPEAKER. Under the rule the previous question is ordered.

The question is on the engrossment and third reading of the joint resolution.

The joint resolution was ordered to be engrossed and read a third time, and was read the third time.

Mr. HESELTON. Mr. Speaker, I offer a motion to recommit.

The SPEAKER. Is the gentleman opposed to the joint resolution?

Mr. HESELTON. I am, Mr. Speaker, in its present form.

The SPEAKER. The Clerk will report the motion to recommit.

The Clerk read as follows:

Mr. HESELTON moves to recommit the joint resolution to the Committee on Interstate and Foreign Commerce with instructions to report it back forthwith with the following amendment:

Page 16, after line 18, insert:

"SEC. 2. The Attorney General of the United States shall make a continuing study of action taken under the compact set forth in section I of this act, with particular reference to whether any such action is inconsistent with the purposes of, or contrary to the limitations and restrictions contained in, such compact. The Attorney General shall report to the Congress from time to time, but not less often than once each year, the result of such study."

Page 16, line 19, renumber section 2 accordingly.

Mr. BECKWORTH. Mr. Speaker, I move the previous question on the motion to recommit.

The previous question was ordered.

The SPEAKER. The question is on the motion to recommit.

The motion to recommit was rejected.

The SPEAKER. The question is on the passage of the joint resolution.

The joint resolution was passed.

A motion to reconsider was laid on the table.

ADJOURNMENT OVER

Mr. PRIEST. Mr. Speaker, I ask unanimous consent that when the House

adjourns today it adjourn to meet on Thursday next.

The SPEAKER. Is there objection to the request of the gentleman from Tennessee?

There was no objection.

SPECIAL ORDER GRANTED

Mr. VELDE (at the request of Mr. HALLECK) was given permission to address the House for 30 minutes on Thursday next, at the conclusion of the legislative program and following any special orders heretofore entered.

GENERAL LEAVE TO EXTEND REMARKS

Mr. HARRIS. Mr. Speaker, I ask unanimous consent that all Members may have five legislative days in which to extend their remarks on the Interstate Oil Compact Commission resolution.

The SPEAKER. Is there objection to the request of the gentleman from Arkansas?

There was no objection.

AMPUTEE CAR BILL

Mrs. ROGERS of Massachusetts. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks.

The SPEAKER. Is there objection to the request of the gentlewoman from Massachusetts?

There was no objection.

Mrs. ROGERS of Massachusetts. Mr. Speaker, I regretted very much that on yesterday when the Consent Calendar was called passage of the so-called amputee automobile bill was objected to. It is not only for the amputee veterans; it is for the blind and for the paraplegics. I find that the public is very much aroused over the bill. They feel that it should pass. They are very much aroused over the boys whose hands and feet were frozen, largely due in most cases to the fact that they did not have proper clothing and equipment.

I can see no reason, Mr. Speaker, why the bill should not pass the House, striking out all after the enacting clause of the Senate bill and inserting the House bill. The Senate bill provides automobiles for only the leg amputees. If you could see the double-arm amputees in the hospitals, I think you would realize what a great help the automobiles would be to them. They cannot ride on busses and street cars alone without difficulty. With their hooks—their appliances—they can be taught to drive automobiles with special equipment.

This is a very humane bill. I was in the West recently and talked with many persons. They cannot understand why we who spend billions and billions giving aid to other countries cannot spend this small amount to help our veterans.

Mr. Speaker, last year I saw in a German magazine advertisement for German hairdressers to go to England to dress the wigs that are given with our aid and money to British subjects who feel they need those wigs. Each person who needs the wigs, or thinks he needs them, is given two wigs. When you contrast the money that is given to foreign countries for things like that, and with much more important things,

and the automobiles that are being sent to Latin America and other countries for other people to ride around in, I know that our country and the Congress want the automobile bill to pass. I am not criticizing the action of the House of Representatives because, of course, the House has already passed the bill, and it would simply mean passing it over again and sending it to the other body so that there could be a conference on it, so that the two bodies could come to some sort of an agreement on it. Many of the disabled veterans who are being discharged from the hospitals today could be given jobs if they had these automobiles. This is a rehabilitation measure. Very few men are involved, and not very much money. So far as expense to the Government is concerned, the Government receives the money back in the form of taxes on everything that goes into the automobiles as well as the manufacturers' tax on the automobiles themselves. Then, the veterans also pay taxes on the automobiles, so you see it is not a question of money all going out. Also, Mr. Speaker, it should be remembered that the veterans who are rehabilitated and can get jobs because they have this transportation will be able to pay income taxes on what they earn.

It is strange, Mr. Speaker, that I have never heard one person outside of Congress object to the bill. They all think it is a fine measure. The word they use because we do not pass it is "heartless." I hope, Mr. Speaker, that the bill can come up by unanimous consent because the House passed the bill once without a dissenting voice and that was just recently. I am very interested, Mr. Speaker, that the Congress should not adjourn permanently without the passage of this bill.

THE WORLD CHESS BOARD

Mr. SIEMINSKI. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks.

The SPEAKER. Is there objection to the request of the gentleman from New Jersey?

There was no objection.

Mr. SIEMINSKI. Mr. Speaker, last week we voted on the foreign-aid bill. I should like to post the score, as I see it, on the world chessboard, reds against the blues. The Reds have made 7 moves and we have countered with 11 moves.

The seven moves the Reds have made are:

First. Blocking the unification of Germany.

Second. Maintenance of the iron curtain.

Third. Delay on the treaty with Austria.

Fourth. A campaign of subversion in Greece and Yugoslavia.

Fifth. The rearming of Eastern Europe.

Sixth. The building-up of armed forces in the Soviet.

Seventh. A deliberate campaign of sabotage of the United Nations by (a) war in Korea, and (b) an attempt to upset the situation in Iran.

We, the blues, have countered the 7 Red moves with 11 moves:

First. We have caused to be rearmed the United States, South America, Canada, and Europe.

Second. We have encouraged Communist Party splits in Italy and France.

Third. Tito's defiance has received our support.

Fourth. There is dissension in the eastern European satellite countries.

Fifth. There are internal problems of the Soviets that are growing more acute every day.

Sixth. The Reds have been set back in French Indochina.

Seventh. We have inflicted great Chinese and North Korean losses in Korea, which have caused:

Eighth. Internal problems in Red China.

Ninth. We are concluding the Japanese peace treaty.

Tenth. We have denied Formosa to the Reds, and we have denied the Reds admission to the United Nations.

Eleventh. We have caused the Reds to sue for peace in Korea.

The score is 7 to 11, in favor of the blues. Colors of the UN are blue and white.

EXTENSION OF REMARKS

By unanimous consent, permission to extend remarks in the Appendix of the Record, or to revise and extend remarks, was granted to:

Mr. RAMSAY in two instances.

Mr. HEBERT (at the request of Mr. LARCADE) in three instances and to include extraneous matter.

Mr. MILLER of California in two instances and to include extraneous matter.

Mr. JONES of Alabama in two instances and to include in one an article.

Mr. ELLIOTT and to include extraneous matter.

Mr. PRIEST and to include a radio address.

Mr. YORTY in two instances and to include extraneous matter.

Mr. HARRISON of Virginia and to include an editorial.

Mr. SMITH of Wisconsin in two instances and to include extraneous matter.

Mr. D'EWART and to include a statement.

Mr. HESELTON to revise and extend his remarks on the interstate oil compact legislation and include extraneous matter.

Mr. McVEY and to include extraneous material.

Mr. ADAIR and to include a resolution.

Mr. CURTIS of Missouri (at the request of Mr. ADAIR) in two instances and to include extraneous material.

Mr. KEATING and to include certain editorials.

Mr. PHILLIPS.

Mr. MURDOCK and to include extraneous matter.

Mr. ASPINALL and to include a statement by John Geoffrey Will of the Upper Colorado River Compact Commission.

Mr. FURCOLO and to include extraneous matter.

ENROLLED BILLS SIGNED

Mr. STANLEY, from the Committee on House Administration, reported that that committee had examined and found truly enrolled bills of the House of the following titles, which were thereupon signed by the Speaker:

H. R. 1103. An act for the relief of Sidney Young Hughes;

H. R. 4106. An act to amend section 1732 of title 28, United States Code, entitled "Judiciary and judicial procedure" by adding a new subsection thereto "to permit the photographic reproduction of business records and the introduction of the same in evidence"; and

H. R. 4601. An act to provide that the admissions tax shall not apply in respect of admissions free of charge of uniformed members of the Armed Forces of the United States.

The SPEAKER announced his signature to enrolled bills of the Senate of the following titles:

S. 248. An act authorizing the President of the United States to issue a proclamation designating 1951 as Audubon Centennial Year;

S. 353. An act relating to the time for publication of the Official Register of the United States;

S. 950. An act to amend the act authorizing the segregation and expenditure of trust funds held in joint ownership by the Shoshone and Arapaho Tribes of the Wind River Reservation for the purpose of extending the time in which payments are to be made to members of such tribes under such act, and for other purposes;

S. 1214. An act to authorize and direct conveyance of a certain tract of land in the State of Florida to the St. Augustine Port, Waterway, and Beach District; and

S. 1673. An act to authorize and direct the Administrator of General Services to transfer to the Department of the Air Force certain property in the State of Mississippi.

BILLS PRESENTED TO THE PRESIDENT

Mr. STANLEY, from the Committee on House Administration, reported that that committee did on this day present to the President, for his approval, bills of the House of the following titles:

H. R. 3709. An act making appropriations for the Department of Labor, the Federal Security Agency, and related independent agencies, for the fiscal year ending June 30, 1952, and for other purposes;

H. R. 3790. An act making appropriations for the Department of the Interior for the fiscal year ending June 30, 1952, and for other purposes; and

H. R. 3973. An act making appropriations for the Department of Agriculture for the fiscal year ending June 30, 1952, and for other purposes.

LEAVE OF ABSENCE

By unanimous consent, leave of absence was granted to:

Mr. ALLEN of California, from September 12 to September 23, 1950, inclusive, on account of official and other business.

Mr. HOFFMAN of Michigan (at the request of Mr. HALLECK), on account of official business.

ADJOURNMENT

Mr. PRIEST. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly (at 3 o'clock and 8 minutes p. m.), under its previous order, the House adjourned until Thursday, August 23, 1951, at 12 o'clock noon.

EXECUTIVE COMMUNICATIONS, ETC.

Under clause 2 of rule XXIV, executive communications were taken from the Speaker's table and referred as follows:

737. A letter from the Acting Commandant, United States Coast Guard, transmitting a report of contracts negotiated for experimental, development, or research work, executed during the period January 1 to June 30, 1951, pursuant to section 2 (c) (11) of the Armed Services Procurement Act of 1947, Public Law 413, Eightieth Congress; to the Committee on Armed Services.

738. A letter from the Assistant Secretary, Department of State, transmitting a letter relative to House Resolution 200, Eighty-second Congress, entitled "Extending greetings of the House of Representatives to the representative bodies of each of the other American States on the occasion of Pan American Day"; to the Committee on Foreign Affairs.

739. A letter from the Acting Secretary of Commerce, transmitting certifications by the Administrator of Civil Aeronautics of the cost of rehabilitation and repair of damages caused by the United States military forces at certain public airports, pursuant to section 17 (b) of the Federal Airport Act, as amended; to the Committee on Interstate and Foreign Commerce.

740. A letter from the Acting Secretary of Commerce, transmitting certifications by the Administrator of Civil Aeronautics of the cost of rehabilitation and repair of damages caused by the United States military forces at certain public airports; to the Committee on Interstate and Foreign Commerce.

741. A letter from the Attorney General, transmitting a report relative to appropriations involved for "Fees and expenses of witnesses, 1951" and "Support of United States prisoners, 1951," pursuant to section 1211 of Public Law 759 approved September 6, 1950, relative to violations of subsection (h); to the Committee on Appropriations.

REPORTS OF COMMITTEES ON PUBLIC BILLS AND RESOLUTIONS

Under clause 2 of rule XIII, reports of the committees were delivered to the Clerk for printing and reference to the proper calendar, as follows:

Mr. CANNON: Committee on Appropriations. House Joint Resolution 320. Joint resolution amending an act making temporary appropriations for the fiscal year 1952, and for other purposes; without amendment (Rept. No. 902). Referred to the Committee of the Whole House on the State of the Union.

Mr. SMITH of Virginia: Committee on Rules. House Resolution 397. Resolution for consideration of House Joint Resolution 320, resolution amending an act making temporary appropriations for the fiscal year 1952, and for other purposes; without amendment (Rept. No. 903). Referred to the House Calendar.

Mr. BURLESON: Committee on House Administration. House Resolution 198. Resolution to dismiss the election contest of Lowe versus Davis, Fifth Congressional District of Georgia; without amendment (Rept. No. 904). Ordered to be printed.

Mr. BURLESON: Committee on House Administration. House Resolution 399. Resolution to dismiss the election contest of Karst versus Curtis, Twelfth Congressional District of Missouri; without amendment (Rept. No. 905). Ordered to be printed.

Mr. BURLESON: Committee on House Administration. House Resolution 400. Resolution relative to the contested-election case of Huber versus Ayers, Fourteenth Congressional District of Ohio; without amendment (Rept. No. 906). Ordered to be printed.

Mr. KILDAY: Committee on Armed Services. H. R. 5102. A bill to authorize the

Secretary of the Navy to enlarge existing water-supply facilities for the San Diego, Calif., area in order to insure the existence of an adequate water supply for naval and Marine Corps installations and defense production plants in such area; with amendment (Rept. No. 907). Referred to the Committee of the Whole House on the State of the Union.

Mr. BENTSEN: Committee on Interior and Insular Affairs. H. R. 2190. A bill to provide for the conveyance to the town of Dedham, Maine, of a certain strip of land situated in such town and used as a road right-of-way; without amendment (Rept. No. 909). Referred to the Committee of the Whole House on the State of the Union.

Mr. BENTSEN: Committee on Interior and Insular Affairs. H. R. 3042. A bill to abolish the Castle Pinckney National Monument and to transfer the jurisdiction and control of the lands therein contained to the Secretary of the Army, and for other purposes; without amendment (Rept. No. 910). Referred to the Committee of the Whole House on the State of the Union.

Mr. BENTSEN: Committee on Interior and Insular Affairs. House Joint Resolution 254. Joint resolution to provide for investigating the feasibility of establishing a coordinated local, State, and Federal program in the city of Boston, Mass., and general vicinity thereof, for the purpose of preserving the historic properties, objects, and buildings in that area; with amendment (Rept. No. 911). Referred to the Committee of the Whole House on the State of the Union.

Mr. REDDEN: Committee on Interior and Insular Affairs. H. R. 4798. A bill to amend the Hawaiian Organic Act relating to qualification of jurors; without amendment (Rept. No. 912). Referred to the House Calendar.

REPORTS OF COMMITTEES ON PRIVATE BILLS AND RESOLUTIONS

Under clause 2 of rule XIII, reports of committees were delivered to the Clerk for printing and reference to the proper calendar, as follows:

Mr. BENTSEN: Committee on Interior and Insular Affairs. H. R. 586. A bill to authorize the Secretary of the Interior to sell certain land on the Chena River to the Tanana Valley Sportsmen's Association, of Fairbanks, Alaska; with amendment (Rept. No. 908). Referred to the Committee of the Whole House.

PUBLIC BILLS AND RESOLUTIONS

Under clause 3 of rule XXII, public bills and resolutions were introduced and severally referred as follows:

By Mr. BOGGS of Louisiana: H. R. 5263. A bill to amend the Foreign Trade Zones Act of 1934, as amended, to extend certain privileges to qualified public warehousemen; to the Committee on Ways and Means.

By Mr. McDONOUGH: H. R. 5264. A bill to amend the National Labor Relations Act, as amended, with reference to the building and construction industry, and for other purposes; to the Committee on Education and Labor.

By Mr. CANNON: H. J. Res. 320. Resolution amending an act making temporary appropriations for the fiscal year 1952, and for other purposes; to the Committee on Appropriations.

MEMORIALS

Under clause 3 of rule XXII, memorials were presented and referred as follows:

By the SPEAKER: Memorial of the Legislature of the State of Alabama requesting

enactment of legislation requiring persons, firms, and corporations engaged in interstate commerce to report their wholesale sales made in interstate commerce to the revenue departments of the States affected in order that such States will be able to prevent tax evasions by taxpayers within their jurisdictions; to the Committee on Interstate and Foreign Commerce.

Also, memorial of the Legislature of the State of New Hampshire memorializing the President and the Congress of the United States relative to inclusion of forest management and soil-conservation practices in all flood-control plans carried out by the Federal Government in the State of New Hampshire in coordination with State authorities; to the Committee on Public Works.

PRIVATE BILLS AND RESOLUTIONS

Under clause 1 of rule XXII, private bills and resolutions were introduced and severally referred as follows:

By Mr. BETTS:

H. R. 5265. A bill for the relief of Harvey T. Gracely; to the Committee on the Judiciary.

By Mr. BONNER:

H. R. 5266. A bill for the relief of Mrs. Alaska D. Jennette; to the Committee on the Judiciary.

By Mr. HILLINGS:

H. R. 5267. A bill for the relief of Gertrude O. Yerxa, Mrs. G. Olive Yerxa, and Dr. Charles W. Yerxa; to the Committee on the Judiciary.

By Mr. KEOGH:

H. R. 5268. A bill for the relief of Jean Hollis Vock; to the Committee on the Judiciary.

By Mr. MANSFIELD:

H. R. 5269. A bill for the relief of Mary G. Sullivan; to the Committee on the Judiciary.

By Mr. WILLIAMS of New York:

H. R. 5270. A bill for the relief of Mary Sing-Gieu Carleton; to the Committee on the Judiciary.

By Mr. YATES:

H. R. 5271. A bill for the relief of Reiko Kanzaki; to the Committee on the Judiciary.

By Mr. YORTY:

H. R. 5272. A bill for the relief of Ken C. Wu and family; to the Committee on the Judiciary.

By Mr. ZABLOCKI:

H. R. 5273. A bill for the relief of Mrs. Maria Arm; to the Committee on the Judiciary.

PETITIONS, ETC.

Under clause 1 of rule XXII,

401. Mr. McMULLEN presented a petition of Miss Mabel D. Price and other members of the Women's Christian Temperance Union, Zephyrhills, Fla., urging enactment of legislation to prohibit alcoholic-beverage advertising over the radio and television and in magazines and newspapers which was referred to the Committee on Interstate and Foreign Commerce.

SENATE

WEDNESDAY, AUGUST 22, 1951

(Legislative day of Wednesday, August 1, 1951)

The Senate met at 12 o'clock meridian, on the expiration of the recess.

Dr. Gerhard E. Lenski, pastor of Grace Lutheran Church, Washington, D. C., offered the following prayer:

O Lord, our Lord, how excellent is Thy name in all the earth, who hast set Thy

glory above the heavens, who hast created man in Thine own image, who hast put power in man's hand and hast given him dominion over earthly things and hast crowned him with glory and honor. We, as Thy children, do heartily and unfeignedly thank Thee for this, Thy great goodness toward us and all men, and we pray Thee this day that Thou wouldst put Thy holy spirit within us that He may make us more appreciative of Thy confidence in us and more eager to show ourselves worthy of it. To this end purge our hearts of evil and make us good as Thou art good. In a world of deceit and dishonesty and slanted truth make us true as Thou art true. In a world that is wounded and weary make us compassionate even as Thou wast compassionate when Thou didst send Christ Jesus to us to be our Helper, our Brother, and our Saviour.

Bless this day with Thy unfailing mercies all who do hard work, all who fight bitter battles, all who face momentous decisions, all who carry onerous responsibilities. Bless the Members of this Senate body, granting them wisdom, courage, and strength to do Thy will. Bless all who labor for peace, all who build righteousness, all who work and pray for a better world. Speed the coming of that day when every knee shall bow and every tongue confess that Jesus Christ is Lord, to Thy name's great glory. O Lord, our Lord, how excellent is Thy name in all the earth. Amen.

THE JOURNAL

On request of Mr. McFARLAND, and by unanimous consent, the reading of the Journal of the proceedings of Tuesday, August 21, 1951, was dispensed with.

MESSAGES FROM THE PRESIDENT

Messages in writing from the President of the United States submitting nominations were communicated to the Senate by Mr. Miller, one of his secretaries.

MESSAGE FROM THE HOUSE

A message from the House of Representatives, by Mr. Snader, its assistant reading clerk, announced that the House had passed, without amendment, the joint resolution (S. J. Res. 42) consenting to an interstate compact to conserve oil and gas.

The message also announced that the House had passed the following bills, in which it requested the concurrence of the Senate:

H. R. 710. An act for the relief of Mrs. Suzanne Chow Hsia and her son, Sven Erik Hsia;

H. R. 711. An act for the relief of George Lukes;

H. R. 1100. An act for the relief of Eugenio Bellini;

H. R. 1102. An act for the relief of Emilio Torres;

H. R. 1128. An act for the relief of Harvey McFarland and Laurance Anthony Warnock;

H. R. 1236. An act for the relief of Rhoda Akiko Nishiyama;

H. R. 1816. An act for the relief of Shoemon Takano;

H. R. 1818. An act for the relief of Hego Fuchino;

H. R. 1825. An act for the relief of Mrs. Sylvia Simonson;

H. R. 2510. An act for the relief of Mrs. Beverly Brunell Roth;

H. R. 2546. An act for the relief of Charles W. Vanderhoop;

H. R. 2626. An act for the relief of Christian & Co., Inc., of Pittsburgh, Pa.;

H. R. 2669. An act for the relief of Maria Sarandrea;

H. R. 2672. An act for the relief of the law firm of Harrington & Graham;

H. R. 3128. An act for the relief of Elaine Dovico;

H. R. 3731. An act for the relief of Megumi Takagi;

H. R. 3789. An act for the relief of Roosevelt Pollard, the General Exchange Insurance Corp., and Fred Warren;

H. R. 3818. An act for the relief of Yutaka Nakaeda;

H. R. 3898. An act for the relief of William E. Gillespie, Jr.;

H. R. 4154. An act for the relief of the estate of Jake Jones, deceased;

H. R. 4219. An act authorizing the Secretary of the Interior to issue a patent in fee to Louis W. Milliken;

H. R. 4228. An act for the relief of Mrs. Lorene M. Williams;

H. R. 4351. An act authorizing the Secretary of the Interior to issue a patent in fee to Ursula Rutherford Olinger;

H. R. 4352. An act authorizing the Secretary of the Interior to issue a patent in fee to Mary Rutherford Spearson;

H. R. 4688. An act for the relief of Cecelia Wahls;

H. R. 4692. An act to authorize the appointment of Joseph F. Carroll as a permanent colonel in the Regular Air Force;

H. R. 4756. An act for the relief of George Francis Hammers;

H. R. 4931. An act for the relief of Lewyt Corp.; and

H. R. 4953. An act for the relief of Gladys J. McCarthy.

The message further announced that the House had agreed to a concurrent resolution (H. Con. Res. 145) favoring the granting of the status of permanent residence to certain aliens, in which it requested the concurrence of the Senate.

LEAVE OF ABSENCE

On his own request, and by unanimous consent, Mr. CAIN was excused from attendance on the sessions of the Senate from tomorrow through Friday, August 31.

On request of Mr. GILLETTE, and by unanimous consent, Mr. FREAR was excused from attendance on the session of the Senate today.

On request of Mr. WHERRY, and by unanimous consent, Mr. MCCARTHY was excused from attendance on the sessions of the Senate for the remainder of today and through Tuesday, August 28.

COMMITTEE MEETINGS DURING SENATE SESSION

On request of Mr. ELLENDER, and by unanimous consent, a subcommittee of the Committee on the Judiciary was authorized to meet this afternoon during the session of the Senate.

On request of Mr. GILLETTE, and by unanimous consent, the Committee on Foreign Relations and the Committee on Armed Services, sitting jointly, were authorized to meet during the session of the Senate today.

On request of Mr. CHAVEZ, and by unanimous consent, the Federal Security and Department of Labor Subcommittee of the Appropriations Committee was authorized to meet during the session of the Senate today.